

ANNUAL REPORT 2014/15



TRADE
MARK
EAST AFRICA

Growing Prosperity Through Trade

MISSION

To promote rapid advances in East Africa's integration, trade and global competitiveness for all East Africans

VISION

A united East Africa with flourishing trade, strong investment and less poverty



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CORE VALUES

PARTNERSHIP

We listen to our partners and staff and are flexible in our response to their needs.

RESPECT

We value our partners and staff and appreciate their diversity.

INTEGRITY

We are transparent, honest and ethical in the way we work.

PROFESSIONALISM

We work enthusiastically to deliver excellence in everything we do.

INNOVATION

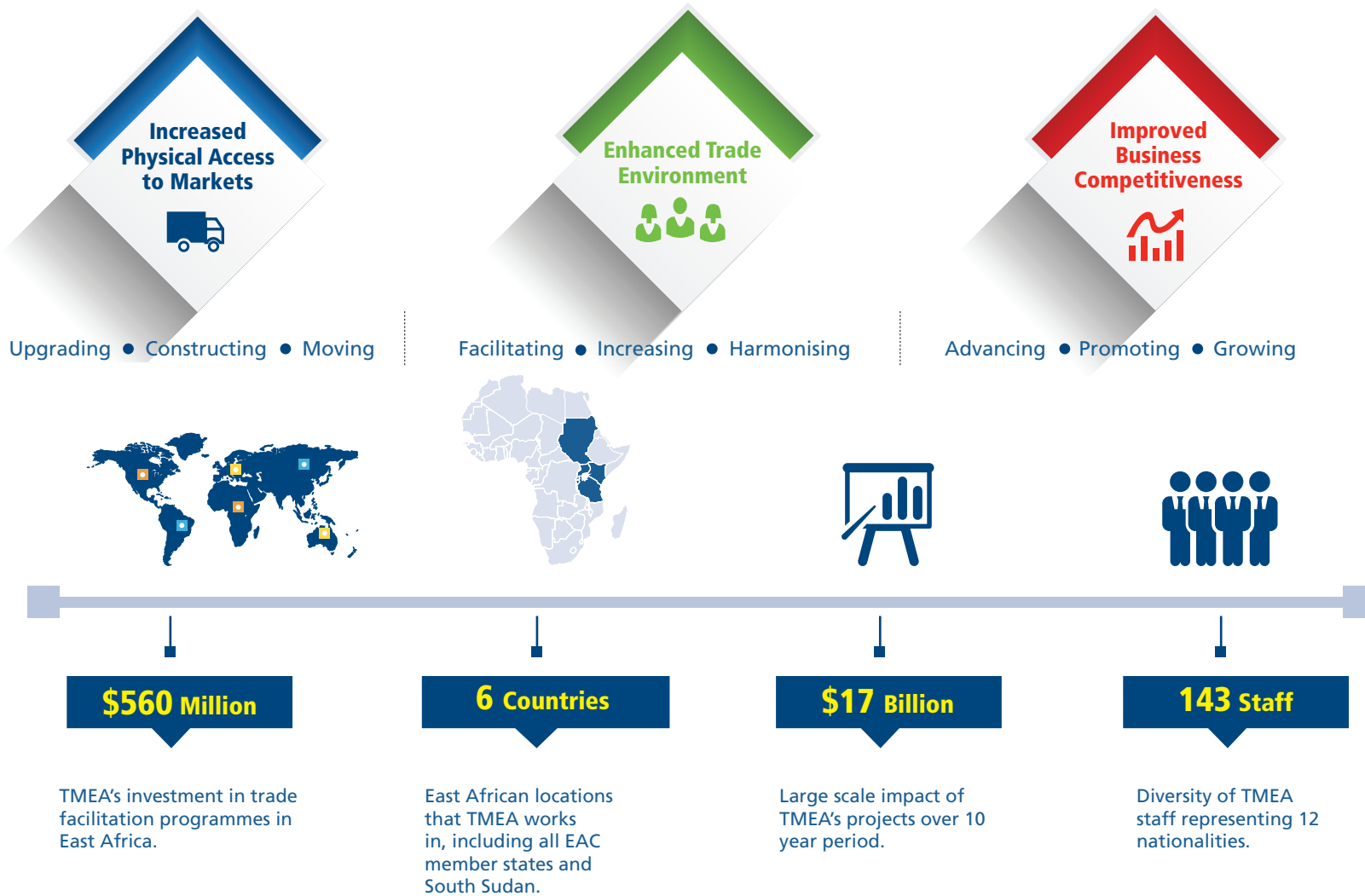
We constantly strive for new solutions to achieve the best possible outcome.

RESULTS-DRIVEN

We focus on high impact and cost effective results to improve the lives of East Africans.



ABOUT TMEA



TradeMark East Africa (TMEA) is funded by a range of development agencies with the aim of growing prosperity in East Africa through trade. We believe that enhanced trade contributes to economic growth, a reduction in poverty and subsequently increased prosperity.

TMEA works closely with East African Community (EAC) institutions, national governments, the private sector and civil society organisations to increase trade by unlocking economic potential



EXPECTED RESULTS BY 2016

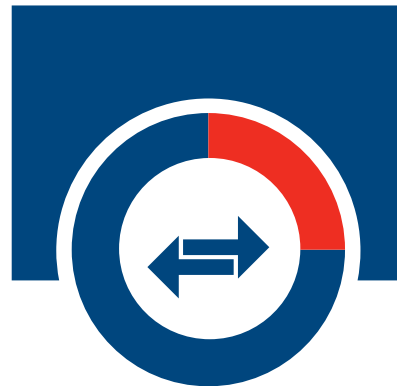
INCREASE IN THE
TOTAL VALUE OF
EXPORTS FROM EAC
REGION

↑
10%



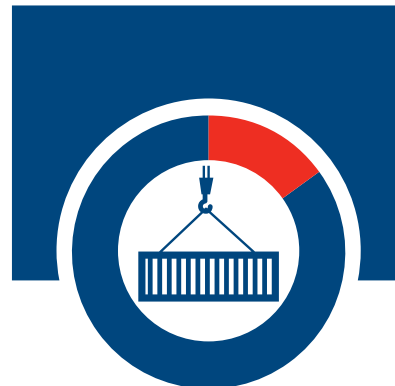
INCREASE IN
INTRA-REGIONAL EXPORTS
WHEN COMPARED TO
TOTAL EXPORTS IN THE
REGION

↑
25%



REDUCTION IN AVERAGE
TIME TO IMPORT OR
EXPORT A CONTAINER
FROM MOMBASA OR
DAR ES SALAAM TO
BURUNDI OR RWANDA

↓
15%



DECREASE IN THE
AVERAGE TIME A TRUCK
TAKES TO CROSS SELECTED
BORDERS

↓
30%



GOVERNANCE

Message from the Chair of the Board of Directors

TradeMark East Africa (TMEA) has continued to show great progress this year. Several key results have been achieved with our partners. The overall programme has matured and many results have begun to be visible and are impacting positively on the lives of millions of East Africans. This is against a backdrop of sustained economic growth in the East Africa Community member states, a region expected to continue as the continent's most economically attractive. This is attributed to robust investment in economic reforms as well as resilience to global economic slowdown.

TradeMark East Africa has raised almost US\$750 million to invest in projects from its development partners including Belgium, Canada, Denmark, Sweden, Finland, Netherlands, the United Kingdom and the United States. I'm proud to say that makes TMEA the biggest aid for trade project anywhere in the world.

The results are truly impressive. TMEA's support for the modernisation of ports in Mombasa and Dar, and its one-stop border posts, are transforming trade and driving integration across the region. The time it takes to move goods from Mombasa to Kampala has been halved, to six days. A container now moves through the port of Mombasa in less than four days – it took more than 15 only a few years ago. We have raised significant funding to develop the port in Dar es Salaam. And by the end of next year, the programme will have helped increase East Africa's exports by at least 10%.

There have, however, been some challenges to our programme implementation with regards to security in Burundi and South Sudan, which has slowed down implementation. We are closely monitoring the situation and hope for stability in the two nations.

Our management restructuring that took place last year worked well by creating a senior technical team. This has ensured we achieved a sharper focus in the quality of our programming, as evidenced by the positive

ranking achieved on the independent evaluation of our programmes.

Following on from last year, we have strengthened the TMEA governance structure with the appointment of a team of highly qualified professionals to the Board of Directors. These individuals bring a wealth of experience in various sectors including the private sector, government and non-profit. This wealth of experience is a major asset for TMEA. Our investors have also formed the new TMEA Council to support our work.

Confirmation was received of TMEA's international accreditation by the Chartered Institute of Procurement & Supply. TMEA is only the second organisation in Africa to receive this prestigious accolade, and the first in East Africa. This highlights our commitment to high levels of procurement transparency, efficiency and fairness, and our belief in continual self-improvement.

TMEA is in a transition phase with the completion of projects under its first phase. In Strategy 2, we aim to use our knowledge in understanding and managing complex projects and rigorous focus on value for money for our investors. Strategy 2 has been built on partnership and trust that we have cultivated over the last six years. We will aim to contribute to increased trade by reducing trade barriers and enhancing private sector markets. Strategy 2 is also putting women at the centre of TMEA's focus. The Board has full confidence that TMEA's focus in Strategy 2, its leadership and staff will enable the organisation to sustain its high performance. I'd like to recognise here the huge efforts of TMEA's many excellent partner organisations through which it works, and also TMEA's employees and leadership across the whole organisation.

We continue to strive for excellence - to ensure the best opportunities for businesses in East Africa to create wealth, jobs and to eliminate poverty - whilst providing the best possible value for money to our investors.



On behalf of the Board, I thank our investors warmly for their strong on-going support. I also would like to thank in a very special way, the Governments of East Africa, the EAC Secretariat and private sector and civil society who have proved to be excellent and motivated partners of TMEA since its inception. The success we are celebrating this year would not be possible without their active support and engagement.

We look forward to continued success in 2016.

Mr. Ali Mufuruki



Message from the Chair of the Council

Partnership, People, Prosperity

We want to give East Africa citizens the best chance for a great future, building wealth and prosperity and reducing poverty. Trade impacts people's lives. It directly creates opportunities for people to do business, through which they create employment opportunities and build incomes. Increased trade means governments can collect more revenue, which can be re-invested in providing social services like subsidised education and health care. So, what does it take? Partnerships. Building partnerships is critical if East Africa is to reap the full benefits of trade. Partnerships with governments to eliminate barriers to trade, complemented by partnerships with the private sector to leverage on the improved environment is just one example that will enable the EAC to tap into opportunities. I speak on behalf of all TradeMark East Africa (TMEA) investors including: Belgium, Canada, Denmark, Finland, Netherlands, United Kingdom, United States of America and my country Sweden.

Trade can be transformative to the East Africa Region. I can cite a few examples of TMEA's programmes that are bringing change: to contribute to the free flow of goods in East Africa and enhance access to markets, TMEA has supported the construction and operationalisation of critical infrastructure like the 13 One Stop Border Posts (OSBPs). Spread across seven border crossings, these OSBPs will contribute to reducing the time it takes to cross the border by 30%. Investments at the port of Mombasa and Dar es Salaam are expected to increase throughput and reduce the time it takes to import/export goods at the two ports. This reduction in time leads to a reduction in the cost of doing business. It is ultimately expected to lead to a decrease in the cost of basic commodities, or at the very least a stabilisation of those costs.

TMEA has complimented its investments in hard infrastructure at borders and ports by supporting the adoption of world class software by government agencies,

allowing for better trade efficiency and enhanced revenue collection. The customs systems adopted by Revenue Authorities in Uganda and Rwanda, for example, have led to creating a better business environment in those countries. In Rwanda, the Electronic Single Window (ESW), has reduced the time it would take to process imports from 2 days 10 hours and 5 minutes to 1 day 10 hours and 55 minutes - a reduction of 46%. A one day decrease in release times for imported goods translates to savings of 0.4% of total imports, equalling approximately \$6.8 million annually.

In Uganda, Small and Medium Enterprises, like Nice House of Plastics (NHP), are testimony to the efficacy of these interventions. NHP is an early adopter of the Uganda Revenue Authority (URA) Authorised Economic Operator (AEO) project, supported by TMEA, under the customs modernisation programme. AEOs are accredited importers and exporters who have demonstrated a history of compliance. They benefit from preferential treatment and incentives, which includes clearing their goods faster and not having their cargo physically inspected. The company has drastically reduced its operational costs after acquiring AEO status. As a result, it has not had the pressure to increase product prices in the last two years, a big win for consumers.

These are just some of the gains from the first phase of TMEA. As we move on to Strategy 2, I restate the importance of supporting TMEA as it continues contributing to unlocking East Africa's trade potential. TMEA has proved that it is a true partner to the EAC governments and people. It has continually adopted lessons to design interventions that link all sectors of the economy. This will stimulate employment in both formal and informal sectors and reduce trade deficits in East African countries.

We endorse TMEA's Strategy 2 as it focuses on what we believe in: partnerships, job creation, economic



empowerment of women and men, as well as improving consumer welfare. This is what makes the interventions sustainable. That said, the next phase could be the most pivotal in the history of trade in East Africa and as TMEA investors, we are committed to support and fund various initiatives. Of course, we are counting on the support of new investors to join us in Strategy 2. This will enable us achieve what matters most – impacting people's lives in the long term.

Ms. Karin Andersson



Message from the Chief Executive Officer

It has been five years since TradeMark East Africa started operations, and the results achieved demonstrate our continued commitment to increasing intra-regional trade and building the region's competitiveness. These results reaffirm our ambition to transform the lives of East Africans through supporting projects that will increase prosperity for all in the region.

Our programmes at the ports of Dar es Salaam and Mombasa, which aim to increase the capacity and efficiency of East Africa's two main maritime and trade gateways, continue to gain traction. At Dar es Salaam, ongoing works on modernising 11 deep water berths and the rehabilitation and upgrading of port access roads, will significantly increase port access, especially for larger, modern vessels, while improving movement and efficiency. In Mombasa, the completed improvement works on Gates 1 and 18-20, and the paving of yard no 5, are already boosting yard productivity and reducing dwell time. Other key infrastructure projects, namely the Mombasa West Urban Integrated Roads Programme, will improve road access to the Kipevu West terminal, while design activities for the upgrading of berths are underway. Additional funding has been secured for further works at both ports, some of which will support the Mombasa Green Port policy. This will boost our support to transform East Africa's ports to world class status.

Our programme to reduce costs and delays at EAC borders by lowering the time it takes to cross borders by 30%, is well on its way to completion. The Taveta and Holili One Stop Border Post (OSBP) started operations in April 2015. Construction of the Kagitumba/Mirama Hills, Mutukula/Mutukula and Kobero/Kabanga OSBPs is complete. Full

operationalisation, through integrated border management, is expected by June 2016. TMEA has invested more than US\$100million to reduce delays and costs at EAC borders and we expect the impact to stimulate trade across the region.

Our efforts to digitise and speed up trade processes in the region are also yielding strong results. The Rwanda Electronic Single Window (RESW), has delivered substantial results in efficiency and reduced the time it takes to process imports by 46%. In Uganda, the Electronic Cargo Tracking System (ECTS) and ASYCUDA World, and the implementation of the Single Customs Territory (SCT) clearance procedures along the Northern Corridor is producing transformational results towards a lowering of trade costs. While we have had delays in the implementation of the Tanzania Electronic Single Window (TESW) and the installation of the integrated customs management system (iCMS) for the Kenya Revenue Authority, we are confident that project implementation will be back on track in early 2016. These projects will not only lower the cost of clearing and forwarding of goods, but through increased efficiency, will also increase revenue for governments, leading to improved social services for East Africa's citizens.

TMEA's support for the elimination of non-tariff barriers led to the passing of the Non-Tariff Barriers (NTB) Act by the East African Legislative Assembly. This was a major boost to efforts to remove NTBs and ensures that individual EAC country efforts to tackle NTBs are coordinated through an effective and sustainable mechanism for their elimination. Harmonisation of standards for the most traded goods in East Africa is also expected to increase regional trade in those products and ensure better quality and safety for East African consumers.



Our efforts to improve the region's business competitiveness through support to the private sector and women traders, are also delivering significant results. Advocacy initiatives have removed container fees and surcharges at Mombasa Port and in Rwanda. The second round of grants through the TMEA Challenge Fund (TRAC) is also catalysing export opportunities for farmers in Uganda by creating coffee processing centres. Initiatives aimed at increasing efficiency in clearance of goods from ports to final



destination reached critical mass, with 4,500 freight forwarders being trained across the EAC. Similarly, women cross border traders now have access to trade information and new markets through information centres set up at border posts. This is certain to improve their understanding of policy and regulatory requirements. In Rwanda, women cross border traders have, through forming cooperatives and linking with micro credit agencies, scaled up their businesses and already recorded more than 70% improvement in their incomes, resulting in better livelihoods and less household poverty.

The year has not been without its challenges: an increase in terrorist threats across the region, (especially Kenya), continued conflict in South Sudan, and an escalation of post-election unrest in Burundi. In addition, the macro economic situation worsened, with currency depreciation and narrowing fiscal space. Despite this, much has been achieved. I thank TMEA staff for their commitment to achieving results and I commend their efforts to streamline our internal processes for better efficiency when working with partners. A new governance structure incorporates a new Council replacing the Programme Investment Committee, as the Board takes on a strong oversight role in steering TMEA's mission.

I also thank our investors for their unwavering support and guidance during the last financial year and truly appreciate the cooperation of our partners that continue to drive prosperity through trade across East Africa: the EAC Secretariat, national governments of the EAC Partner States and South Sudan, and private sector and civil society organisations. A constructive and rewarding collaboration with all our stakeholders has allowed TMEA to deliver a portfolio with a high level of impact and making a meaningful contribution

to the welfare of East Africa. We look forward to delivering more impactful results for the people of East Africa.

Frank Malsaert





Senior Leadership Team

Frank Matsaert has been the CEO of TMEA since October 2010 and has over 20 years of experience as a senior private sector development specialist in Africa and Asia. Prior to joining TMEA he was the Senior Growth, Trade and Investment Adviser for East Africa at the DFID office in Nairobi. He started his career as an international fund manager and investment analyst and has designed and overseen over 40 innovative and successful programmes worth over US\$1 billion, in the fields of trade, financial sector development, privatisation, investment climate reform, market development and skills development. He holds a Masters degree in development economics from the University of East Anglia.

Frank Matsaert - Chief Executive Officer



David Stanton joined TMEA in 2010. His main areas of expertise are regional economic integration, trade and business strategy, and programme and organisational management. He has worked in over 40 developing countries, mainly in Africa and Asia. His current role covers strategic and business planning across the programme portfolio, and delivery of TMEA's results across East Africa. Before joining TMEA, David served as Chief Adviser for Enterprise Development, and Head of the Tanzania programme for the UK's Department for International Development. Earlier, he was Director of the Investment Climate Facility for Africa and a Country Director for CARE International. He is a British citizen and holds a Masters Degree in English from Cambridge University. He also has an MBA.

David Stanton - Director General



A trade economist by profession, Annette Mutaawe Ssemuwemba leads the Strategy and Results team of TMEA. Prior to her current role, she served as TMEA Country Director for Uganda. Before joining TMEA, Annette worked with the EAC Secretariat in Arusha as Head of Department for the Tariff Division in the Directorate of Customs and Trade. She has contributed to regional integration processes in EAC and COMESA and has made technical contributions to multilateral negotiations. She has over 20 years' experience in trade policy formulation, trade facilitation initiatives, regional integration and private sector development. She holds a bachelors degree in Economics, International Trade and an MBA.

Annette Mutaawe Ssemuwemba - Deputy CEO, Chief Strategy and Results Officer



Ken Jones joined TMEA in 2010 and leads a team of 30 people. He has worked in international development since 1994. As part of the International Advisory Services team of KPMG London, he led assignments in Kenya, Uganda, Jamaica, Grenada, and Montserrat and was seconded to KPMG East Africa to lead a project to establish the Rwanda Revenue Authority. His resume includes establishing a Centre for Good Governance in India, establishing the Capacity Building Trust Fund for the Government of South Sudan and assisting to establish the South Sudan Ministry of Finance. He also led projects in Pakistan, Macedonia, Kosovo, and Bulgaria. He is a Fellow of the Chartered Institute of Management Accountants, a Member of the Chartered Institute of Public Finance & Accountancy, a Fellow of the Institute of Consultancy, and a Chartered Global Management Accountant.

Ken Jones - Chief Operating Officer



Senior Management Team

In his role as Senior Director, Market Access, George Wolf supports regional integration and trade competitiveness in East Africa - for example by helping infrastructure agencies prepare and finance key transport infrastructure facilities. For many years, George was an investment banker with Citigroup in the United States, where he helped finance US\$15 billion worth of projects in the power, water and transport sectors. Immediately prior to TMEA, he was with the World Bank's Project Finance & Guarantees Group in Washington D.C.

George Wolf - Senior Director, Market Access



As Senior Director Country Programmes, Mark Priestley has oversight responsibilities for TMEA interventions in the EAC and South Sudan. He is a development economist with 25 years experience of managing aid-funded programmes in private sector development, trade and regional integration in emerging economies. He spent his formative years with the European Commission supporting East European countries with their transition to a market economy and their entry into the European Union. During his time with the EU in Bosnia and Herzegovina, he was involved with post war economic regeneration, before moving to South Africa where he managed a large EU grant fund. Prior to his current position, Mark was the Country Director for TMEA in Rwanda.

Mark Priestley - Senior Director Country Programmes



Richard Kamajugo's mandate focuses on improving trade systems, processes, legal and trade policy issues, and reducing trade barriers in the EAC. He began his career at the Ministry of Commerce in Uganda before joining the Uganda Revenue Authority (URA) Customs department, where he grew through the ranks to become Commissioner for Customs, leading a team of 800 officers to implement major improvements and reforms of Customs processes. He has undertaken training in leadership and negotiation and was a key player in many EAC and COMESA negotiations. He has presented papers in a number of international trade and Customs forums at regional and international levels and has been a member of different technical working groups in the World Customs Organisation and the World Trade Organisation. He has a Bachelors degree in Economics, a Diploma in Trade Policy and an MBA.

Richard Kamajugo - Senior Director Trade Environment



Jason Kap-Kirwok joined TMEA after finishing a contract with the World Bank aimed at supporting the 19 COMESA countries to integrate their regional and national planning. Before taking up his current position he was the TMEA Kenya Country Director. His resume includes Senior Director for Global Strategy and Operational Change for Heifer International and Group Strategy Director at Kenya Airways where he led a successful turnaround strategy for the airline. He has also been the Chief of Strategic Planning and Research for COMESA. He has served on the strategy committee of the Board of the Nairobi Stock Exchange and is currently on the Board of Kenya Airways. He is also an award-winning author and a newspaper columnist.

Jason Kap-Kirwok - Senior Director EAC-TMEA Partnership



Lisa Karanja is a legal professional who oversees the strategic development of new business lines, focusing on business environment reform, export capability and trade and logistics, and has established a US\$15m women and trade programme. Her resume covers private sector development, policy advocacy and public sector reform. She held a senior position at Kaplan and Stratton Advocates, Nairobi, and was the Senior Law and Policy Advisor in the Department of Governance and Ethics, Office of the President. She was also Deputy Executive Director, Transparency International-Kenya. She sits on the National Anti-Corruption Committee for Kenya, the Business Advocacy Fund and the Kenya Markets Trust. Lisa has an LLB from the University of Warwick and a Masters in Law and Diplomacy from the Fletcher School of Law and Diplomacy. She is admitted to the bar in the United Kingdom and is an Advocate of the High Court of Kenya.

Lisa Karanja - Senior Director, Business Competitiveness





YEAR IN REVIEW



1. Overview

The overall economic performance of the East African Community (EAC) as measured by the real Gross Domestic Product (GDP) growth rate in 2015 is estimated at 5.6%. This is up from 5.3% in 2013, but down from 7.1% in 2014. However, this growth is anticipated to rebound to 6.7% in 2016, with the region expected to continue being the continent's fastest growing and the most economically attractive. This is attributed to robust investment on economic reforms as well as resilience to global economic adversity. Fluctuations in East African average growth are due to volatile developments in South Sudan, where armed conflict cut oil production and GDP in 2013. Regional growth is also likely to be lowered by instability in Burundi. Individually, EAC Partner States show divergent performance in GDP growth rates.

Uganda has seen the consolidation of macroeconomic stability and a gradual recovery of economic activity, with real GDP growth projected to reach 5.9% in financial year 2014/15 from a 4.5% growth in financial year 2013/14. This is mainly supported by public investment on infrastructure, recovery in private domestic consumption and investment demand, and a rebound in agriculture.

In **Kenya**, GDP growth estimate shows a slight downturn to 5.3% in 2014 from 5.7% in 2013, attributed partly to a sharp drop in tourism following terrorist attacks in the country.

Tanzania's growth, projected to remain above 7% in 2014/15, is driven by continued strong performance in most sectors and supported by public investment in infrastructure.

Rwanda's real GDP growth increased from 4.7% in 2013 to 7% in 2014, and is projected to rise to 7.5% in both 2015 and 2016.

In 2014, real GDP growth for **Burundi** was estimated at 4.7% compared to 4.5% in 2013, mainly due to an upturn in coffee production and a dynamic construction sector implementing large-scale infrastructure projects. However this projection is likely to be constrained by the current political instability.

South Sudan's GDP grew by 30.7% in 2014 but 2015 is likely to see negative growth as the ongoing conflict and declines in national oil production and global oil prices devastate the economy.

With respect to infrastructure, endorsement by the EAC Summit of a ten-year plan for investment priority regional infrastructure projects was a key highlight. The proposal includes establishing regional centres of excellence for infrastructure development and oil and gas contract negotiation. This effort is complemented by the endorsement of the EAC Council of Ministers early in the year for an adjustment to the EAC Transport Corridors; this would see an increase in the number of EAC corridor routes from five to ten (incorporating additional links and spurs). Another highlight was the passing of the Bill for elimination of the Non-Tariff Barriers (NTBs) in the EAC. Once

endorsed by the Heads of States, the Bill will provide a legal framework for elimination of NTBs in the EAC region. TMEA has provided significant support to the development of this important Bill that complements national level efforts to eradicate NTBs.

TMEA in consultation with a number of development partners has been supporting EAC Partner States to undertake a self-assessment of their compliance with the recently adopted global Bali Trade Facilitation Agreement (TFA) of the World Trade Organisation (WTO). During the year, four of the five EAC Partner States submitted their 'Category A' commitments for implementation of the Bali TFA. This means EAC States can purposely plan and implement measures towards full compliance with the TFA. If fully implemented, studies by the Organisation for Economic Co-operation and Development (OECD) suggest costs of doing business between the EAC and other economies could fall by 14.5%, adding to trade reforms already underway across the region to bring down trade barriers.

The EAC continues to strengthen its Trade Policy by evaluating the application of various trade instruments such as the Common External Tariff (CET). Changes to the CET for some products, made by Ministers of Finance through the April 2015 pre-budget consultation process, will be important for the region's trade competitiveness. Through support to the EAC Secretariat and Partner States, TMEA has provided inputs both nationally and regionally to the CET Review.



2. Programme performance



Increased physical access to markets

Following the 2014 annual review and recommendations therefrom, TMEA has since implemented 71% of accepted recommendations. A mid-year assessment of programme implementation and budget expenditure was undertaken. Noting progress in the first two quarters of the year, and considering external factors affecting procurement or implementation of key projects, the TMEA budget for 2014/15 was revised to US\$85 million, and approved by both the Board and the Programme Investment Committee (PIC). With many TMEA projects coming to an end by mid-2016, early thinking and consultations begun on the conceptual framework and shape of TMEA Strategy 2 after 2016/17. Ministers, donors, the PIC and National Oversight Committees (NOCs) were introduced to TMEA's initial concepts to contribute their ideas, and extensive consultations were concluded in quarter 4 (2014/15) in every Partner State, including consultations with respected national analysts.

Within TMEA's strategic objective of increased physical access to markets (SO1), performance during the year was good, with some projects being implemented a little slower than expected, and some faster. Taveta and Holili One Stop Border Posts (OSBP) are operational, while all five intra-EAC OSBPs are on track to be operational by mid 2016. Construction was completed at Kagitumba and Mirama Hills, and the structures were handed over to the respective clients. Integrated border management (IBM) activities for operationalising the OSBPs are underway. Port improvements gained traction, with significant funding secured for both Dar es Salaam and Mombasa Port programmes. The Mombasa Port infrastructure projects are all virtually complete, and have already begun to generate faster ship-to-shore and cargo transit times. Kigali Logistics Platform is in the final stages of bidding for a private investor. The Ntungamo Road project proceeded following initial difficulty with contractor mobilisation (outside of TMEA control).

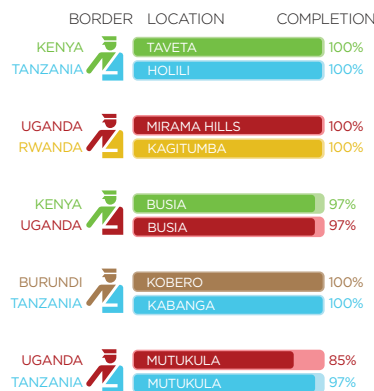


Enhanced trade environment

TMEA's second strategic pillar of an enhanced trade environment (SO2) performed well during the period. A number of initiatives such as the Electronic Cargo Tracking System (ECTS) and Asycuda World in Uganda, as well as the implementation of the Single Customs Territory (SCT) clearance procedures along the Northern and Central Corridors, produced commendable results towards reduction of transaction costs. With support from TMEA, work geared towards eliminating Non-Tariff Barriers (NTBs) registered a major leap with the passing of the NTB Act by the East African Legislative Assembly (EALA) and ten standards were harmonised and adopted annually in the region, compared to the target of five standards annually. Some initiatives, such as implementation of Electronic Single Windows (ESWs) progressed well, with the Rwanda Electronic Single Window (RESW) realising substantial results in efficiency and reduction in clearance time and the commencement of implementation of the Uganda Electronic Single Window (UESW) at the end of the financial year. Some initiatives, such as the Tanzania Electronic Single Window (TESW) and the Kenya Revenue Authority (KRA) Integrated Customs Management System (iCMS), suffered delays. However, the issues that caused the delays in implementation of the TESW have been resolved and the project is expected to get back on course.

We are waiting for conclusion of the implementation contract for the KRA iCMS with the best evaluated bidder, after which the project is expected to register progress as soon as the court processes are concluded. The outcome of the legal case is by no means certain at the time of writing. The difficulties encountered in tendering this project have led us to reconfigure tender processes and documents in Kenya and the rest of the region.

5 completed OSBPs



Time reduction through SCT





Improved business competitiveness

Key policy and regulatory reforms contributing to TMEA's strategic objective of improved business competitiveness (SO3) were recorded. These include advocacy for the removal of vessel delay surcharges, which resulted in savings of about US\$200 per 20 foot container and US\$400 per 40 foot container at Mombasa Port. There was also a 60% reduction in container deposit fees to ease imports/exports into Kigali, reducing trade costs. The exemption on use of plastics for Rwandan exporters has enhanced competitiveness, and the increase of CET on reinforcement bars, from 10% to 25%, has boosted regional industrial capacity. The second round of the Challenge Fund grants catalysed export capacity in Uganda through the establishment of a coffee processing centre, with a handling capacity of over 1,000 metric tonnes and seven fruit drying centres for value addition and export.

Certification of over 4,500 freight forwarders has resulted in increased efficiency in the clearance of goods from port to final destination and thus time and cost savings for business. National Freight Logistics platforms are to be developed to address the policy and regulatory barriers. Over 2,600 women cross border traders increased their access to trading information and new markets. In Rwanda, women traders from four cooperatives that were registered and linked to micro credit agencies recorded 100% increase in monthly personal income (from approximately US\$27 to US\$70) and thus improved livelihoods and reduced incidence of poverty.

3. START and corporate services

Within the Strategy and Results Team (START), some of the achievements over the last year include: simplification of the monitoring and evaluation frameworks; review of TMEA's programme and project cycle management practice; process improvements for project approvals; development of a results meter; commissioning of key project evaluations; initiation of gender mainstreaming activities - including the launch of a gender policy and strategy; development of the knowledge management strategy and evidence library; improvements in quality of communications tools; development of initiatives to extend TMEA's reach to the donor markets; and analysis of poverty impact.

The first ever symposium was held focusing on regional integration, trade, and poverty linkages. We also completed the new Programme Cycle Management guidelines and instigated the initial training of staff.

The significant increase in the rate of expenditure in the last months of 2014/15 resulted in total expenditure exceeding US\$100m compared to a revised budget of US\$85m. This unexpected increase in expenditure caused a short-term cash shortage. This points towards the need for TMEA's budget to be realistic and for contributions to be scheduled accurately. In light of this, TMEA is reviewing its budget for 2015/16 in the context of expenditure to date and the actual state of ongoing procurement exercises.

TMEA received international accreditation from the Chartered Institute of Procurement & Supply. TMEA is only the second organisation in Africa to receive this prestigious accolade, and the first in East Africa. This highlights our commitment to high levels of procurement transparency, efficiency and fairness. Our investors and Board have welcomed this.



A successful interim audit was conducted by Ernst & Young ahead of the year-end audit in August. The interim audit resulted in there being no management letter points, which is a highly unusual, but a very welcome outcome. Plans continued to be implemented to establish a new Internal Audit Unit in August 2015. This will mark the final stages of the abolition of the custodian role previously undertaken by KPMG.

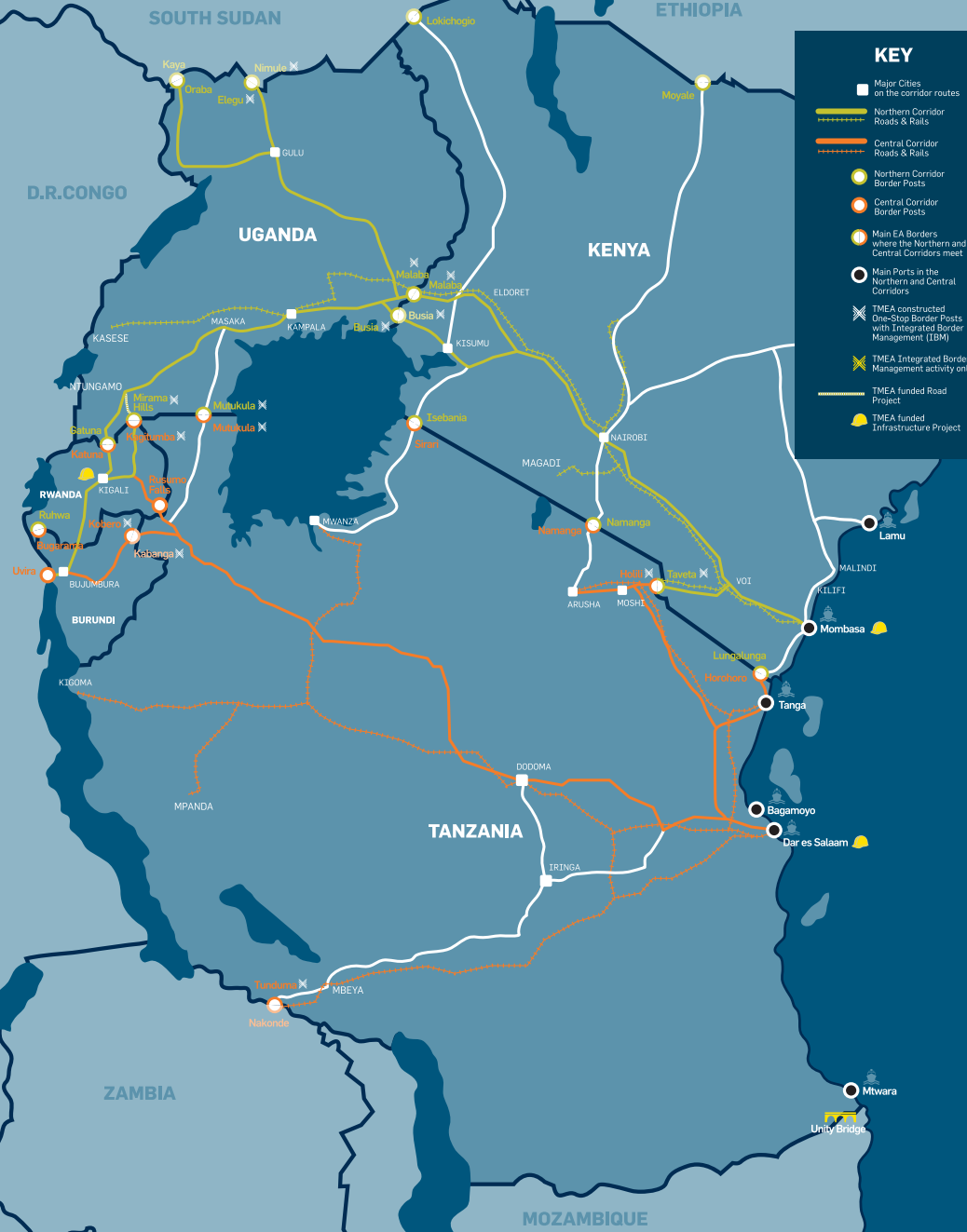
TMEA's ICT infrastructure was further strengthened with fibre optic links to the offices in Kigali and Bujumbura. The first stages of a Voice Over Internet Protocol (VOIP) project were completed. This project should allow free inter-office phone calls using the internet across the TMEA office network by the end of 2015. These developments will enhance communications within TMEA and will save TMEA scarce resources.

4. Governance

Good progress was made in implementing the new governance arrangements with a highly successful recruitment exercise for additional members of the Board of Directors. Members were appointed in August, ahead of a Board Retreat in late August. This progress allowed the new TMEA Constitution to come into force on 27 July 2015 with the new Council replacing the old Programme Investment Committee.



The Northern and Central Corridors of East Africa



KEY

- Major Cities on the corridor routes
- Northern Corridor Roads & Rails
- Central Corridor Roads & Rails
- Northern Corridor Border Posts
- Central Corridor Border Posts
- Main EA Borders Where the Northern and Central Corridors meet
- Main Ports in the Northern and Central Corridors
- TMEA constructed One-Stop Border Posts with Integrated Border Management (IBM)
- TMEA Integrated Border Management activity only
- TMEA funded Road Project
- TMEA funded Infrastructure Project

Increased physical access to markets

Mombasa Yard 5 Repaved



293 additional ground slots and more space for containers were created.

Kenya

Making it easier to cross borders



More than 160 workers have been employed at the border post as porters and service providers.

Rwanda

Enhancing operations at South Sudan's lifeline



Administrative and operational reforms at the border have led to an increase of government non-oil revenue from US\$153,785,046 (pre-December 2013) to US\$214,69,015 in February 2015. Increased average monthly revenues collection for Customs stand at US\$6,735,038, as of Sept 2015.



The streamlining of processes, procedures and new measures for preferential treatment of humanitarian goods at Nimule border has reduced their clearance time from 4 days to 2 days.



Implementation of transport laws and enhanced capacity and efficiency of transport infrastructure will lead to a reduced border crossing time (in at least one direction) at selected locations from 4 days to 1 day.



The time needed to clear commercial cargo through Nimule has decreased from 5 days in December 2013 to 2 days in 2015.

South Sudan

One stop border post facilitates trade

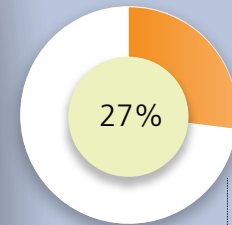


Over 100 workers were employed as unskilled and semi-skilled labour during the construction phase of the OSBP. Small businesses, including those run by women, benefited by supplying essential services, (such as food services), to the people working at the site. The extra income they received elevated their standards of living and welfare.

Tanzania

The road to opportunity

Uganda



By October 2015, 27% of the civil works construction had been completed.





Enhanced trade environment

Harmonised standards support trade



47 types of tests now performed on 11 different products, up from 3 products.



Delivery of more than 1350 analytical results, up from 100, for a 9 month period.



10 BBN staff members were trained on laboratory quality management.

EAMs speeds up EAC decisions



Since 2007, of 276 decisions made, 56% have been either fully implemented or are being implemented.



Of 84 decisions reported as fully implemented, 50 decisions are distributed over only 5 ministries.



Of 129 decisions not yet implemented, 71 decisions are shared by only 5 ministries.

Improving standards to increase trade

Kenya



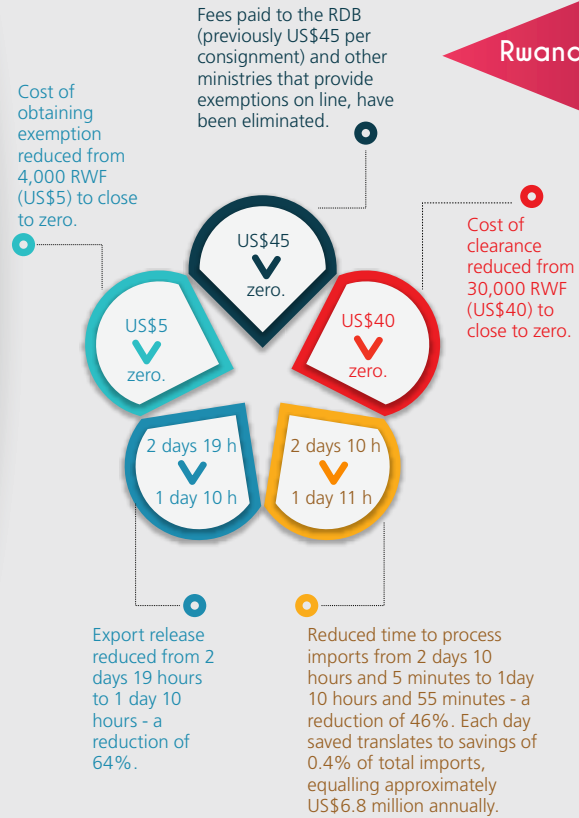
Time taken to receive aflatoxin test results has reduced from 3 days to 2 hours.

Burundi

Harmonised standards support trade

Rwanda

South Sudan



732 SSCS staff received formal training and over 300 SSCS staff attended informal training.





Enhanced trade environment

Standards: The benchmark of success



The time taken to conduct tests on selected import samples and release goods to the market has dropped from 19 days in 2013 to 8 days in 2015.



The number of new products certified with a standards mark of quality has increased from 505 in 2013 to 585 in 2015.

Uganda

Enhancing business sustainability



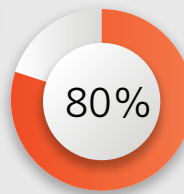
During the piloting phase of the portal, which involved 75 companies, significant time reductions were realised, so that the time taken to clear consignments has reduced from 8 hours to 1 hour.

Video conferencing at the EAC

In 2014/15, 22 meetings were held using VC technology with estimated cost savings of US\$230,000 (9.2% of the investment).



Towards a single customs union



Documentation to release goods has reduced by 80% and simplified the administrative burden.

Cargo clearance time has been reduced from 2 days to 8 hours for fuel, and for other products from 3 days to 12 hours.



Less internal border controls and 24 hour port opening has reduced the turnaround time of trucks from Mombasa to Kampala from 18 days to 4 days, from Mombasa to Kigali from 21 days to 6 days and from Dar es Salaam to Kigali from 25 days to 5 days. This in turn has reduced the cost of doing business.



Harmonising standards a win-win

Regional



26 standards on cement were harmonised.



16 standards for paper and paper products were developed.



18 draft East African Standards were declared as East African Standards by the Council of Ministers.

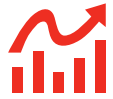


204 representatives from business in the 5 partner states underwent standards training on alcohol, surface-active agents and steel products.



113 representatives from business underwent training on interplay between standards and technical regulations





Improved business competitiveness

Transforming the economy through exports

15

Companies



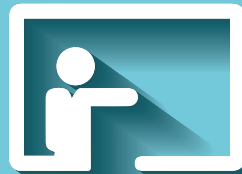
15 companies developed export action plans, which included planning for their products in the export markets and assessing levels of readiness for export.



15 companies improved their export capacities through mentoring and better implementation of export market plans, product costing and pricing, and understanding export market standards and expectations.

Rwanda

Raising quality to increase exports



There is an increased awareness of standards: 18,333 farmers sensitised and 1,667 farmers trained, including 400 women.

Uganda



OUR PARTNERS



Message from the Cabinet Secretary, East African Affairs, Kenya

Allow me first to commend TradeMark East Africa for a dynamic partnership with the Government of Kenya towards achieving the regional integration agenda and for the diligence they have shown in promoting trade as a way of enabling us to address poverty and grow prosperity within the region. The people of East Africa are united and integrated in their hearts and in their minds. It is our obligation as government to ensure that this unity and integration culminate in prosperity, stability and happiness for all East Africans.

Today, Kenya is one of the fastest growing economies in the world, having recently been ranked as the third most improved country in the World Bank Doing Business 2016 report. Despite sluggish global growth, our economy is steadily expanding. However, more needs to be done to enhance our trade and solidify the way we work with, and relate to our EAC neighbours. Indeed, there is a happy meeting of minds between the international community through TMEA and the Government of Kenya on this point.

Given that thought, I am pleased to note the initiatives undertaken by TMEA to support the Government of Kenya, the private sector and the civil society. A key intervention by TMEA is at the port of Mombasa, which joins our lands to the world and serves over 200 million people within the region. Its rapid growth in recent years - traffic rising at a steady 7% annually - has exerted pressure on our infrastructure at the port and at border crossings. TMEA's interventions have greatly complemented Government efforts to modernise the port so that it can operate efficiently and equitably, and develop in line with growing trade demands that will unlock the growth potential of the country and the region. TMEA has intervened to enhance the port's capacity and efficiency, and already a number of infrastructure and facility improvements have been completed. TMEA is also supporting the Kenya Ports Authority (KPA) to address environmental challenges and funding of US\$36 million has been secured for various initiatives. Besides focusing on priority port reforms and infrastructure projects identified by KPA, TMEA has supported the expansion of access roads within the port. In addition TMEA has rallied partners in an initiative to get stakeholders to address the challenges by signing and implementing the Port Charter.

TMEA has also supported a productivity improvement programme and a plan to improve the regulatory framework for the KPA. They have provided US\$13 million to modernise the customs department through replacing the Simba System with a new Customs Management System. In addition, the construction of modern One Stop Border Posts at Malaba, Busia, Holili/Taita Taveta has streamlined border operations and reduced the time taken to clear cargo at border posts. Such activities will enable Mombasa to maintain its position as the pre-eminent port in the region.

TMEA is also supporting the Mombasa West infrastructure improvement works, consisting of the upgrading of the Port Reitz and Moi International Airport Road (C110) (currently on-going) with TMEA providing US\$20 million. TMEA will also be supporting improvements to Magongo Road, Bomu Hospital and Refinery Road, Kipevu Road and the Truck Marshalling Yard, at a cost of US\$55 million.

The formation of the EAC and other regional initiatives, such as the EAC-EU Economic Partnership Agreement, has focused attention among Kenya's policy makers on the need to ensure (i) that Kenya's producers are not hindered by domestic market barriers, and (ii) that Kenya's producers and exporters can take advantage of the opportunities presented by the single market in the EAC. The Government of Kenya takes cognisance of the key role played by TMEA in supporting the development and revision of policy documents that enhance both regional and international trade.

The private sector is the engine of economic growth and contributes about 70% to Kenya's GDP. The significance of the manufacturing sector is visible when viewed against regional trade. Indeed, the manufacturing sector has enormous trade opportunities within the EAC, COMESA and SADC. Despite that, barriers still pose a challenge to our competitiveness. TMEA has partnered with various business member organisations to address these challenges and the Government will continue to hold fora where major issues are resolved.

Kenya is privileged to be the first African country to host the WTO Ministerial Conference. It is not only Kenya's pride, but also the pride of the entire continent. As we work together to ensure the success the event, TMEA has



supported various stakeholders in preparing our country policy position. This will provide an opportunity for Kenya and other WTO members to restore confidence to the Multilateral Trading System and deliver the originally envisaged development aspirations.

On behalf of the Government of Kenya, I wish to express my sincere appreciation to TMEA and look forward to continuing our partnership for the benefit of the citizens of Kenya.

Phyllis J. Kandie (Mrs.)
Cabinet Secretary Ministry of Labour and East African Affairs



Message from the Secretary General, East African Community

TradeMark East Africa continues to be a strong development partner of the East African Community (EAC). Since 2011, TMEA has been a valuable companion in the journey towards deeper regional integration. The last year (2014/15) was particularly momentous for the EAC in terms of opening up opportunities for trade and significantly improving market access. After seven years of hard negotiations, the EAC as a bloc, signed an historic Economic Partnership Agreement with the European Union. This greatly improves access to the EU market by the EAC, especially for its agricultural and fishery products.

Equally momentous was the signing of the Tripartite Free Trade Area agreement between the EAC, the Common Market for Eastern and Southern Africa (COMESA), and the Southern Africa Development Community (SADC), providing for the first time, a solid roadmap towards a tariff-free, quota-free and exemption-free trade regime among 26 African countries. TMEA's support to the EAC Secretariat and Partner States in negotiating these two major trade agreements is much appreciated. These two trade agreements, along with the EAC-USA trade agreement and the extension of the Africa Growth and Opportunity Act (AGOA) until 2025, have the effect of dramatically expanding market access for East African producers and traders.

Through support to the technical working groups and embedded technical experts working to implement the Single Customs Territory – Destination Model, TMEA's partnership with the EAC has resulted in significant improvements in trade facilitation through customs interconnectivity, simplification of cargo clearance procedures, and a reduction of non-tariff barriers (NTBs).

In addition, the time taken to process and transport goods along the Northern Corridor has reduced by more than 60% (down from 18 to 6 days between Mombasa and Kigali).

Through our partnership with TMEA and the International Finance Corporation (IFC) of the World Bank Group, the first ever EAC Common Market Scorecard was published. Highlighting the status of Common Market implementation has provided fresh momentum to integration efforts. Similarly, the successful EAC Business Summit brought together, for the first time, the private sector, the public sector and the development community in a high-level forum to discuss much needed business environment reforms.

We are also very proud of the progress we have made in strengthening systems at the Secretariat, and the support that TMEA continues to provide in this area. Besides improvements in systems for planning, budgeting, financial management audit and risk management functions, the EAC is making substantial progress in the management of travel and travel-related costs through the use of a modern tele-presence video-conferencing system provided by TMEA. We are on track to save at least US\$2.5 million within 12 months.

These are just some of the areas where our partnership with TMEA is bearing fruit. There is considerable scope for further collaboration. We look forward to deepening our partnership in the years to come.

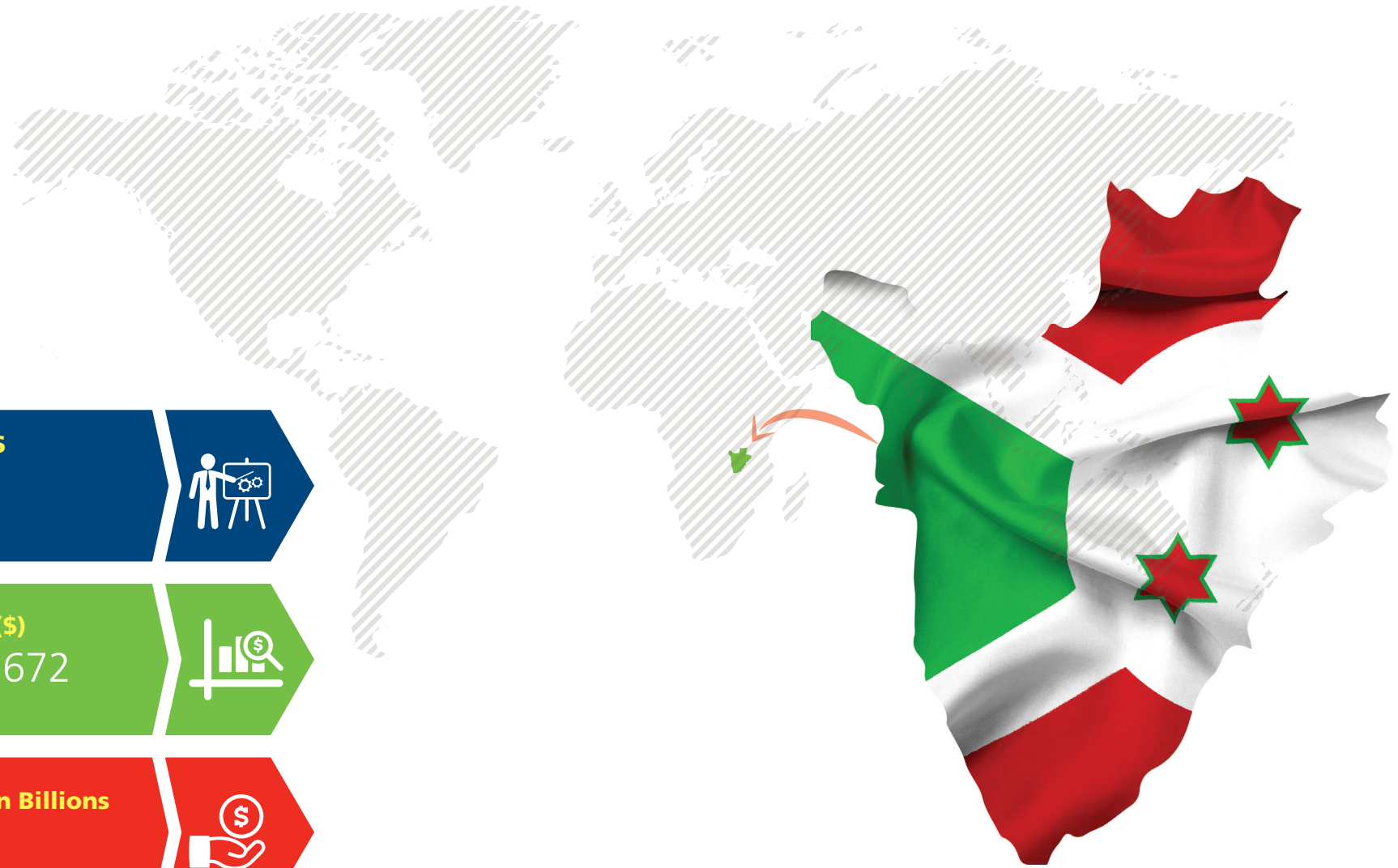
Amb. Dr. Richard Sezibera
Secretary General, East African Community.





OUR PROJECTS






PROJECTS
29



BUDGET (\$)
8,002,672

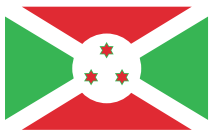


GDP (\$) in Billions
3.01



BURUNDI





One stop border post boosts trade

OUR PROJECTS ■

The border between Burundi and Tanzania at Kobero, used to be characterised by outdated infrastructure, uncoordinated procedures by multiple border agencies and low border agency capacity, causing delays in import and export procedures. To reduce both transit costs and the time taken to cross the border, TMEA funded a one stop border post (OSBP) designed to combine the activities of both countries' border agencies at either a single common location, or at a single location in each direction, without increasing the risk to public safety or revenue collection.

The OSBP project itself set out to improve the IT infrastructure, harmonise working procedures on both sides of the border and train border agency staff, including freight forwarders and traders.

The construction of the Kobero OSBP started in July 2014, launched by the President of the Republic of Burundi, H.E Pierre Nkurunziza and TMEA CEO Frank Matsaert, and was expected to be completed by July 2015. The OSBP is expected to be launched in early 2016.

The one stop border post construction includes a customs inspection shed and warehouse, border official offices, staff quarters, and internal roads that are based on the planned business flow and the movement of people. All these facilities will be equipped with furniture and ICT equipment. In addition, IT networks have been significantly improved to facilitate the implementation of the pilot phase of the OSBP integrated border management project.

RESULTS

- Planned handover was mid-November 2015, although some OSBP staff moved into the completed building before then.
- Around 130 people have been employed on the project construction, creating employment opportunities for the community and local traders.
- Kobero and Kabanga (Tanzanian side) OSBPs are operational on a pilot basis until full operationalisation in December 2015. Tanzanians officials have now relocated to the Kobero office.
- There has been a significant reduction in clearance times for passengers and transit goods at border crossings. A time and traffic survey is expected to be conducted in December 2015 and should confirm the exact time savings.



As East Africa moves towards total integration, TradeMark East Africa is facilitating the process for partner states through various initiatives like this OSBP aimed at reducing the high transit costs which make the region uncompetitive. Once the OSBPs are operational, delays at borders will be significantly reduced, thus benefitting businesses and easing cross border trade within the EAC.

H.E Pierre Nkurunziza
President of the Republic of Burundi.





Harmonised standards support trade

With the aim of supporting trade through harmonised regional standards, the laboratory capabilities and quality management of the Burundi Bureau of Standards (BBN) have been enhanced. The project has been supported by TMEA since October 2013, by providing laboratory equipment and technical assistance to reinforce the capacity of BBN laboratory staff, increase the quality and competitiveness of EAC manufactured products, facilitate private sector certification, strengthen all laboratories and promote regional cooperation.

With the equipment funded by TMEA, BBN has increased the number of products tested and the type of tests it performs on up to 15 products, such as salt, milk, sugar and oil. Four BBN staff have been ISO (International Organization for Standardization) certified allowing BBN to promote and certify with ISO credentials.

BBN is now engaged in knowledge sharing with national and regional laboratories. For example, the Kenya Bureau of Standards has certified BBN as a body, facilitating Burundi organisations to establish both ISO 9000 (quality management standard) and ISO 22000 (food safety management standard).

The Burundi Bureau of Standards is also implementing an awareness strategy designed to raise awareness of standards compliance for its partners, such as traders, civil society, media, and the public sector.

RESULTS

- 47 types of tests now performed on 11 different products, up from 3 products.
- Delivery of more than 1350 analytical results, up from 100, for a 9 month period.
- 10 BBN staff members were trained on laboratory quality management.
- Comparable results with other regional Bureaux of Standards in inter-laboratory tests have been achieved.
- An awareness strategy has been developed and is being implemented.



Laboratory testing, certification, metrology becomes increasingly important in the economic development of a country in view of their role in protecting the trade, industry and consumers. As an evaluation tool for compliance, laboratory tests are essential to determine whether the marketed products comply with safety requirements to agreed quality and performance and ensure consumer protection and fair trade.

H.E Marie-Rose Nizigiyimana

Minister of Trade, Industry and Tourism, at the official signing of the BBN-TMEA MoU.





EAMS Burundi speeds up EAC decisions

OUR PROJECTS ■

As a member of the East African Community, Burundi is responsible for implementing the various Summit and Council of Ministers' decisions and directives, in an effective, timely and efficient way. The EAC Secretariat, as part of its mandate to report to the Council of Ministers on the state of implementation of the EAC's commitments under the Treaty and the various protocols and annexes, has designed and set up regional East Africa Monitoring Systems (EAMS) to track the implementation status of EAC decisions and directives by EAC Partner States.

TMEA has supported the MPACEA (the Ministry responsible for East African Community Affairs) to develop the Burundi EAMS, an online monitoring system linked with the EAMS at the EAC Secretariat. One of the most noticeable impacts of EAMS Burundi is the regular and continuous online interaction between the Planning and M&E Unit of the MPACEA and the other government agencies responsible for implementing EAC directives. This family of online collaborators includes Ministry Department Agencies, EAC focal points and National Implementation Committee members. It goes without saying that productivity and performance are increasing, explaining the speedy integration and operation of a recent decision on the module on the 'EAC Common Market Protocol Monitoring and Evaluation Framework'.

RESULTS

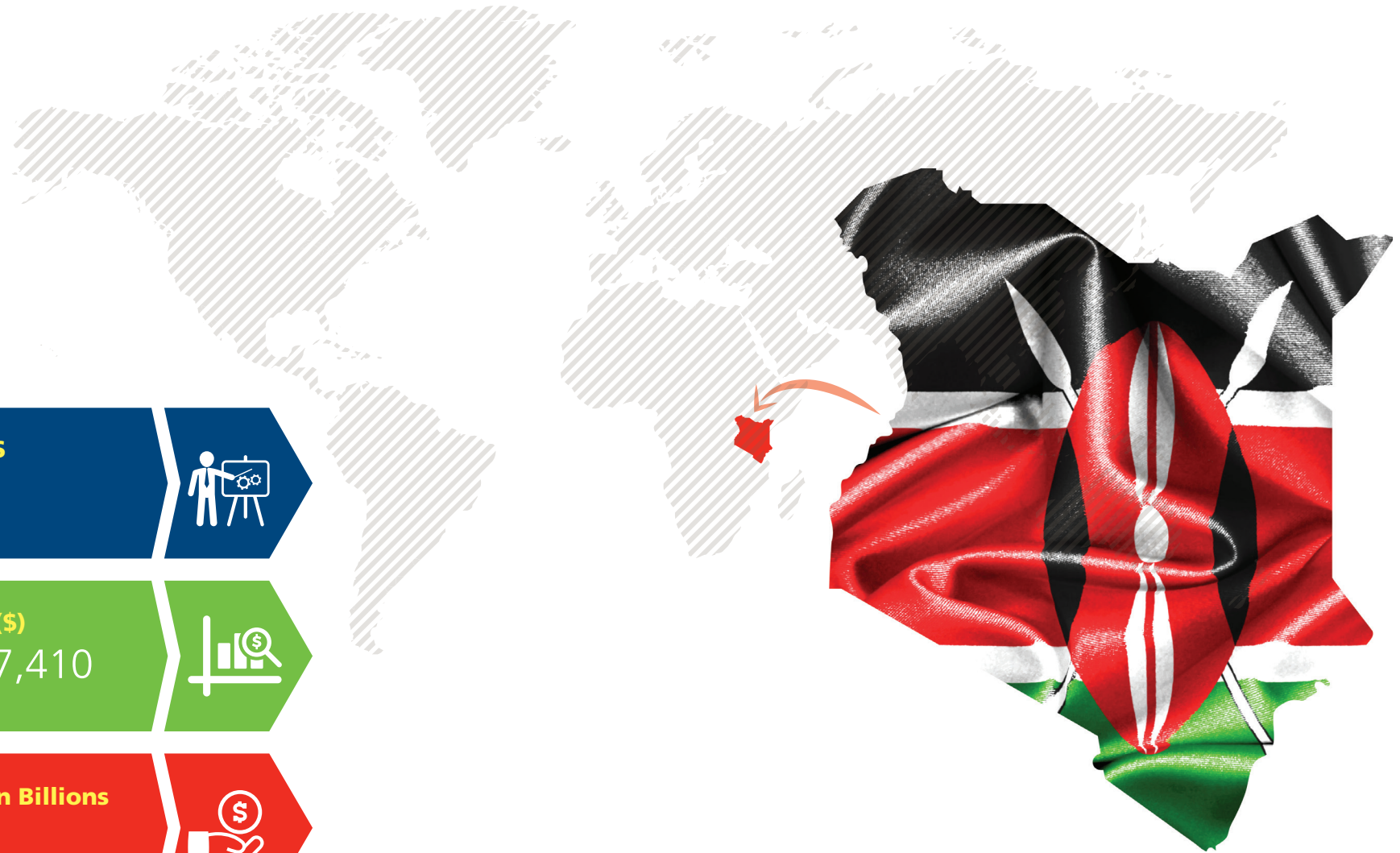
- EAMS Burundi, which monitors the implementation of EAC decisions issued before and after Burundi joined the EAC, was fully developed and deployed.
- The MPACEA efficiently monitors the implementation of EAC directives and focuses on areas lagging behind.
- Below is a sample of information received on the latest online EAMS analysis:
 - » Since 2007, of 276 decisions made, 56% have been either fully implemented or are being implemented.
 - » Of 84 decisions reported as fully implemented, 50 decisions are distributed over only 5 ministries.
 - » Of 129 decisions not yet implemented, 71 decisions are shared by only 5 ministries.



It is interesting to experience how all EAC Focal Points can easily share comments and exchange views on given decisions or topics, similarly to social networks... Thanks to this functionality, it becomes very easy to accommodate new modules and applications arising from EAMS central development. This explains the speedy integration and operationalisation of the module on EAC Common Market Protocol Monitoring and Evaluation Framework as demonstrated in the last National NIC Meeting organised by EAC Secretariat from 22nd to 24th September 2014.

Mrs. Assumpta Kanyange
EAC Focal Point, Ministry of Environment.





KENYA





Mombasa Port Yard 5 repaved

OUR PROJECTS ■

Over the last 10 years, traffic at the Mombasa Port has increased by more than 6% per annum, from 12.9 million tons in 2004 to 24.78 million tons in 2014. In the same period, total cargo throughput recorded a marked increase, posting 6.9% average annual growth rate. Key challenges faced at the port, compounded by rapid growth in trade volumes and poor urban planning, include low performance, particularly at the ship-to-shore interface; lack of capacity (especially container storage capacity); and relatively slow clearing and forwarding arrangements, all leading to high cargo dwell times.

At the same time, Yard 5 at the Mombasa Port was a dusty space in serious need of repaving to strengthen it and improve its handling capacity. The yard could only handle a few containers and lacked formally defined ground slots. In 2013, TMEA and the KPA began the Yard 5 repaving project at a budget of nearly US\$2 million. The work was completed in December 2014. The structure of the Yard has significantly improved and it is now possible to achieve higher stacks of containers. There are also an additional 293 ground slots, of which 113 and 180 were created at KPA's Blocks Q and R respectively.

In addition, to the improved handling capacity, the repaved Yard 5 has reduced the previously experienced wear and tear of equipment such as mobile cranes, leading to savings in operational and maintenance costs. To increase operational efficiency the KPA has procured three new rubber tyred gantry (RTG) cranes to be used in Yard 5 for offloading and loading containers, at a cost of US\$1,833,853. Customers appreciate the newly refurbished yard as KPA now stacks containers in blocks per customer, therefore reducing the time taken to access and remove a container and thus, eventually, to import and export goods.

TMEA's interventions at the Mombasa Port are aimed at improving its capacity and operational efficiency. The Port management is also committed to this, as is the Government of Kenya in providing strong momentum to the initiatives. Development partners have also made substantial commitments of capital to assist.

RESULTS

- Additional ground slots and more space for containers were created.
- The time taken to access and remove a container has decreased.
- Reduced wear and tear on equipment has reduced operational costs.



For the first time ever, the container business has started to grow. Two years ago we started forcing ships to use berth number 5. This proved a challenge as there was no starting yard. The rehabilitated Yard 5 now affords us space for around 70,000 containers and we quickly purchased new equipment for Kilindini.

Justus Nyarandi

General Manager, Operations, Kenya Ports Authority





Improving standards to increase trade

To achieve its goal of facilitating trade TMEA, has partnered with the Kenya Bureau of Standards (KEBS). KEBS has in place a national mirror committee of experts who develop standards for various industries. They help companies to access new markets, level the playing field for developing countries and facilitate free and fair global trade. Standards are also used by the business community to gauge the quality of inputs, equipment and the product itself.

One of the key achievements in the past year has been the purchase of eight aflatoxin kits. Aflatoxins are a naturally occurring carcinogenic by-product of common fungi that grow on grains and other food crops, particularly maize (consumed in large amounts in Kenya) and groundnuts. They pose significant health risks to animals and humans. Although KEBS has the lead testing facility in Nairobi, due to the size of the country, the turnaround time to give and receive test results could be three days on any product. Through TMEA support, KEBS now has an additional eight testing sites: Malaba, Busia, Namanga, Lungalunga, Eldoret, Nyeri, Garissa and Nairobi, reducing the testing turnaround time from the previous three days to about two hours. This has not only enhanced food safety measures but has eased trading across borders, especially with Tanzania and Uganda, which export grains to Kenya.

In the past year TMEA Kenya has also supported KEBS in holding an additional 28 standards awareness workshops for small scale traders and enterprises (SMEs), reaching out to most counties in the country. Once the SMEs incorporate the standards into their processes, they invite KEBS to review and examine their production before getting the required certification. Since the commencement of the TMEA supported programme, KEBS has reported a 14%

increase in the number of SMEs certified. Due to this increase in certification it is anticipated that more SME products will be available in top range stores and even on the international market.

RESULTS

- 8 aflatoxin testing kits were purchased and distributed around KEBS offices in Kenya.
- Time taken to receive aflatoxin test results has reduced from 3 days to 2 hours.
- 28 standards awareness workshops for SMEs were held.
- 14% increase in the number of SMEs certified by KEBS.



Standards are used to achieve three objectives: Facilitate trade, protect consumers from harmful and poor quality goods and protect the environment. The Kenya Bureau of Standards has developed over 7,900 standards as part of their mandate to provide standardisation solutions for sustainable development.

Charles Ongwae
Managing Director, Kenya Bureau of Standards





Creating initiatives to boost tourism

OUR PROJECTS ■

Arising from a meeting of Heads of State of Kenya, Uganda and Rwanda, it was agreed that the three partner states would work on fast-tracking some aspects of the Common Market Protocol. Among them was the implementation of a Single Tourist Visa (STV) for the three states and use of the National ID for entry by the citizens of the three countries. This initiative is intended to increase tourism trade within the participating partner states.

The Kenya Tourism Federation (KTF), with the support of TMEA, rolled out a project to monitor implementation and create awareness of the STV and the use of the National ID, and to influence decision-making at technical committee meetings. They also utilised key activities in the three countries: 'Kwiti Izina' in Rwanda, 'Martyrs' Day' in Uganda and the 'Magical Kenya Expo', to advocate for the STV and the formation of Business to Business (B2B) partnerships.

The KTF scheduled forums for tourism stakeholders to sensitise them on the opportunities that the STV and use of the National ID will create. The KTF also planned B2B meetings between tourism and hospitality providers in Kenya with their counterparts in Uganda and Rwanda, with the intention of creating an environment to embrace joint destination packaging. The Single Tourist Visa also encourages international tourism as those tourists are in a position to use one visa across the three countries. In the long term, the two initiatives are expected to enhance the marketability of the region and positively impact on the countries' populations through more jobs in the tourism industry and improved infrastructure.

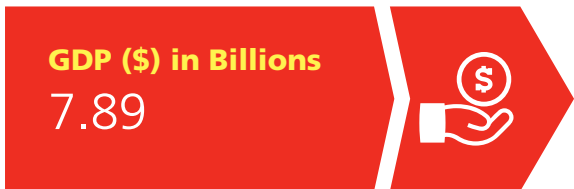
RESULTS

- The KTF has sensitised over 300 service providers in the tourism sector on the use of the STV and National IDs for travel in the three countries.
- There has been a 40% increase in the number of targeted tourism businesses marketing multi country packages and tours using the single visa as a promotional tool.

Through the B2B meeting I have acquired friends and formed partnerships in Rwanda. I hope to bring them more tourists to see their gorillas as they also give me business.

George Kamau Karuku
a tour operator in Ruiru, Kenya.





RWANDA





Making it easier to cross borders

OUR PROJECTS ■

In 2011, TMEA decided to invest US\$7.5 million in the construction and operationalisation of a One Stop Border Post (OSBP) at the Kagitumba border post in Rwanda. TMEA also made a commensurate investment at Mirama Hills, on the Ugandan side of the border. The aim is to reduce border clearance time for goods and people by 30%.

The Kagitumba OSBP project commenced in July 2013 and included the construction of customs and migration offices, a police post, a customs inspection shed and warehouse, clearing and forwarding offices and internal roads that direct the movement of cargo and people. It also involved the installation of a water treatment plant, water storage tanks, a parking yard and a green environment within and around the border post. The Kagitumba OSBP was completed and handed over to the Rwanda Revenue Authority in May 2015.

TMEA also supported the setting up of an institutional and legal framework necessary for border management collaboration at inter-agency and bilateral levels. It includes a review and implementation of OSBP procedures, training of border agency officials and installation of ICT networks, hardware, furniture and equipment.

In addition to the OSBPs, TMEA is funding the rehabilitation of the Ntungamo/Mirama Hills road on the Uganda side and the construction of two bridges located between the two border posts to support the expected surge in cross-border traffic. Construction of the bridges should be complete by November 2015.

RESULTS

- More than 160 workers have been employed at the border post as porters and service providers for border post personnel who use the services of local businesses, including small businesses run by women. The extra income they receive improves their standards of living and welfare.

Once operational, the OSBP is going to facilitate cross border movement of people and goods. Traders will benefit by spending less time in border transactions. The OSBP will contribute to regional integration and increase transparency because of the border infrastructure setup.

Godfrey Akayezu

Border Manager, Migration, Kagitumba Border Post.





Simplifying the flow of information

The Rwanda Electronic Single Window (RESW), fully rolled out in January 2013, is designed to facilitate international trade by simplifying information flows between trade and government institutions. Previously, importers and exporters, through their clearing agents, had to submit the same documents to different agencies at different times and often in different places. Under the RESW, traders now submit standardised information to various agencies through a single, common electronic platform, and solicit a rapid response to allow for faster cargo release.

Initially, project stakeholders were limited to the Rwanda Revenue Authority (RRA), the Rwanda Development Board (RDB), the Rwanda Standards Board (RSB) and clearing agents, but this group has expanded to include other functions, such as e-exemptions, and electronic payments, and other stakeholders.

TMEA allocated US\$3.3 million to support the RESW, mainly for the acquisition of hardware and financing for the various implementation activities.



The use of the Electronic Single Window System reduced the time it takes to clear goods at customs by 40%. Traders are interested not only in the average time it takes to release the goods, but also about the assurance that their time spent clearing goods is predictable. The ESW approach to facilitating trade has the advantage of not only streamlining and improving customs operations, but also the operations of the other border control agencies and entities responsible for delays in the release of goods.

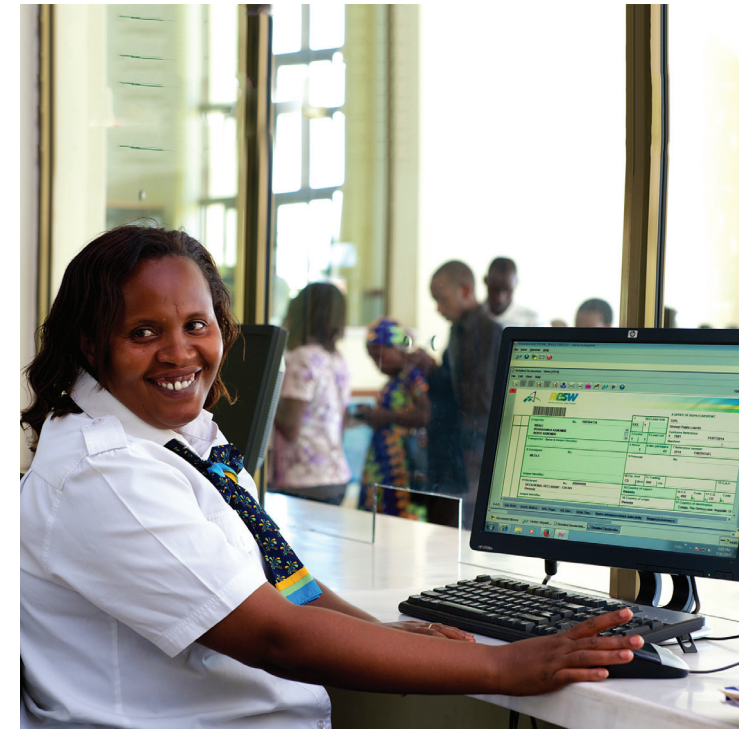
Pascal Ruganintwali

Deputy Commissioner General, Rwanda Revenue Authority (RRA).



RESULTS

- Reduced time to process imports from 2 days 10 hours and 5 minutes to 1 day 10 hours and 55 minutes - a reduction of 46%. Each day saved translates to savings of 0.4% of total imports, equalling approximately US\$6.8 million annually.
- Export release reduced from 2 days 19 hours to 1 day 10 hours - a reduction of 64%.
- Fees paid to the RDB (previously US\$45 per consignment) and other ministries that provide exemptions on line, have been eliminated.
- Cost of clearance reduced from 30,000 RWF (US\$40) to close to zero.
- Cost of obtaining exemption reduced from 4,000 RWF (US\$5) to close to zero.
- Government agencies exchange data and information using the new risk profiles to reduce the need for multiple verifications of the same consignment.





Transforming the economy through exports

OUR PROJECTS ■

In 2012, to address Rwanda's exports challenges, TMEA contracted Traidlinks, an Irish funded NGO to run a pilot project to help 10 selected Rwandan companies enter the Ugandan market. The market-linked pilot worked through the Rwanda Development Board (RDB) by providing training and support, including market research, sales missions and sales follow up, to companies wishing to penetrate the Ugandan market.

Based on the TMEA funded pilot, the 'Export Development Programme' implemented by Traidlinks, builds Rwandan capacity to grow exports outside the traditional sectors of tea, coffee and minerals. Three further programmes were created as part of the Export Development Programme: the 'Market Linked Programme' aims to link potential exporters to buyers in the EAC market through market research, sales missions and sales follow up; the 'Export Adviser Initiative' is designed to build the capacity and competency of qualified local business consultants to support exporters in preparing and executing their export business plans; and the 'Export Capacity Programme' provides direct technical support to exporters to identify and exploit export growth opportunities.

RESULTS

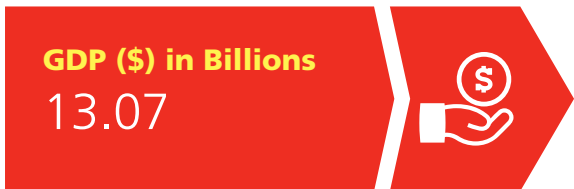
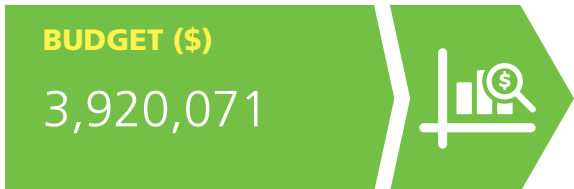
- 15 companies developed export action plans, which included planning for their products in the export markets and assessing levels of readiness for export.
- 15 companies improved their export capacities through mentoring and better implementation of export market plans, product costing and pricing, and understanding export market standards and expectations.
- The programme certified 9 local consultants on export development, some of whom can provide export development services to the exporters.
- The programme arranged 5 sales missions to Uganda and Burundi to meet potential buyers and importers. Companies also learned lessons from the missions that helped build their capacity.



I learned a lot from the programme about how to export, market and maintain export markets and that helped us improve on quality and especially business planning because when you plan better, you sell more. Today G-Mart chalk is ahead of its competitors when it comes to quality and competitive prices.

Jessie Kalisa Umutoni
Managing Director of G-Mart Limited.





SOUTH SUDAN





Enhancing operations at South Sudan's lifeline

OUR PROJECTS ■

TMEA is supporting the construction of a One Stop Border Post (OSBP) at Nimule (bordering Uganda), to facilitate trading with the East African Community. This project will construct physical facilities at Nimule border that include administration buildings, an inspection shed to accommodate the adjoining state's border agencies and roads to facilitate exit and entry into the OSBP. This will increase efficiency for all cross border movement.

The TMEA support also includes plans to install an integrated border management system at Nimule, which will automate processes and reduce the time it takes to clear cargo, leading to decreased trade costs. Key interventions will include: the review and implementation of an institutional and legal framework necessary for border management collaboration at inter-agency and bilateral levels; the review and implementation of one stop border post procedures; training of border agency officials; and installation of ICT networks, hardware, furniture and equipment.

RESULTS

- Administrative and operational reforms at the border have led to an increase of government non-oil revenue from US\$17,446,696 (pre-December 2013) to US\$23,689,947 in February 2015. Increased average monthly revenues collection for Customs stand at US\$6,735,038, as of Sept 2015.
- Implementation of transport laws and enhanced capacity and efficiency of transport infrastructure will lead to a reduced border crossing time (in at least one direction) at selected locations from 4 days to 1 day.
- The streamlining of processes, procedures and new measures for preferential treatment of humanitarian goods at Nimule border has reduced their clearance time from 4 days to 2 days.
- The time needed to clear commercial cargo through Nimule has decreased from 5 days in December 2013 to 2 days in 2015.
- The competencies and collaboration of agencies at the border have been strengthened.



It's improved a lot. The relief is getting through much quicker, and we are doing what we can to help. Clearance times at Nimule are down to one day, and that may be a lesson for all the goods that come through. Time on the road is money for shippers. It costs about \$500 a day just to keep a truck on the road, so every day wasted costs time and money, and for the needy it's much more desperate.

Yowa Soso
Head of the South Sudan Shippers Council





Raising standards - a life or death issue

Protecting consumers against expired drugs or risky food is the first priority of the newly created South Sudan National Bureau of Standards. The list of priorities also includes setting up national standards, which will enable South Sudan to trade competitively with other nations. Once the economy is on a sound footing South Sudan hopes to become the East African Community's sixth member.

TMEA's support to establish the South Sudan National Bureau of Standards (SSNBS) includes building the capacity of technical staff, developing a regulatory framework of standards and supporting the equipping of a standards laboratory to world-class levels.

It is expected that improved quality testing of imports and locally produced products, will result in better quality products in the market, as well as increased competitiveness for South Sudanese products in the EAC.

Standards for South Sudan are a matter of life and death. As a new nation, we are facing a large influx of imports that are either sub-standard, counterfeit or expired.

Dr Mary Gordon Muortat

Executive Director of the South Sudan National Bureau of Standards.

RESULTS

- TMEA deployed a technical adviser to provide advisory services to SSNBS.
- A National Quality Infrastructure and Technical Regulations Framework in line with international best practices has been developed.
- An organisation structure and job descriptions for the SSNBS have been created.
- Draft regulations for product safety control and legal metrology were drawn up.
- Standards, compulsory specifications and a conformity assessment system were introduced.
- Procurement processes for urgently needed equipment for standards testing and metrology laboratories (SMQTs) were completed. Most SMQTs will be delivered by end 2015.
- English language proficiency skills training for 44 staff (68%) were undertaken.
- MoUs with regional standards institutions in Kenya, Uganda, and Rwanda were drawn up.
- Guidelines for improving food safety were developed.
- Awareness seminars, such as on food hygiene and safety, were conducted.





Support to Customs development and trade facilitation

OUR PROJECTS ■

TMEA is assisting the Government of South Sudan to introduce the fundamentals of Customs administration while laying a foundation for a wider Customs reform strategy. Specifically, the assistance to the South Sudan Customs Services (SSCS) is to enable it to become an effective and efficient agency that can support the government's objective of diversifying its revenue incomes while facilitating trade. The Customs department is recognised as a key government priority as it takes steps to reduce over-reliance on oil revenue by building up alternative revenue sources, especially Customs duties.



We are making a lot of improvements over the last few years, revenue has gone up from 28 million SSP in January 2014 to 52 million this year (US\$1.00 = 5.69 SSP). Collecting more revenue is a key to the diversification of the South Sudanese economy away from oil and we are committed to gathering more revenue for development, and we are succeeding.

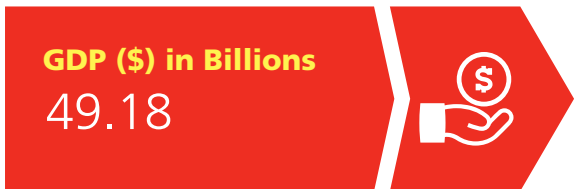
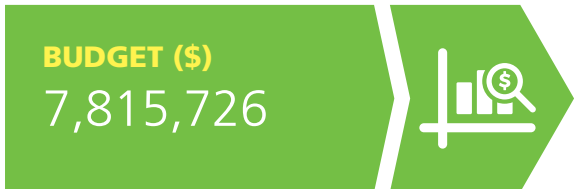
Colonel Wilson Ramba
Chief Customs Officer at Nimule.



RESULTS

- Customs laws were approved, which will enable a functional Customs administration to be created, guided by a regulatory framework allowing transparency and accountability. This will also be significant in the run up to entry into the EAC.
- Supporting regulations have been developed.
- A harmonised system tariff was designed and drafted.
- An organisational structure and job descriptions were developed.
- A 5 year strategic plan was drawn up.
- A modernisation plan was developed.
- 732 SSCS staff received formal training and over 300 SSCS staff attended informal training.
- Physical infrastructure improvements were undertaken at Nimule.
- A computerised Customs clearance system is being introduced.





TANZANIA





One stop border post facilitates trade

OUR PROJECTS ■

A US\$4.5 million investment by TMEA, aiming to reduce border clearance time by 30%, has resulted in the construction and operationalisation of a one stop border post (OSBP) at the Mutukula border with Uganda. A similar investment has also been made on the Ugandan side of the border.

The idea is to avoid repetition and duplication when processing documents and increase trade volumes to make Mutukula an attractive place to cross with ease and efficiency. The border is also expected to become a 24 hour operation with agencies working in three shifts, so local people will stand to benefit by providing increased local services.

The Tanzanian Mutukula OSBP construction project commenced in July 2011 and included customs and immigration offices, a police post, a customs inspection shed and warehouse, and internal roads. There was additional construction of a power house, and installation of water storage tanks and a three-phase electricity supply. The OSBP was completed and handed over to the Tanzania Revenue Authority in July 2014.

New systems require good management and TMEA assisted by creating the institutional and legal framework necessary for border management. The integrated border management system includes a review and implementation of OSBP procedures, training of border agency officials and installation of ICT networks, hardware, furniture and equipment.

The OSBP is expected to begin operating on completion of construction of the OSBP on the Uganda side.

RESULTS

- Full and fair compensation was paid to the previous occupiers of the OSBP designated land, much of it spent to construct modern houses around Mutukula, thus aiding development of the area.
- Over 100 workers were employed as unskilled and semi-skilled labour during the construction phase of the OSBP. Small businesses, including those run by women, benefited by supplying essential services, (such as food services), to the people working at the site. The extra income they received elevated their standards of living and welfare.
- Introduction of electricity on the Tanzania side of the border: the power supply allows small businesses to trade round the clock.
- Improvement in passenger and cargo clearance services.



Once it is fully operational, the OSBP with the new and upgraded facilities would enhance efficiency in cross border clearance of people and goods. In this regard, traders would benefit through minimal transaction cost resulting from time saving. The OSBP will contribute immensely to regional integration with markedly increased businesses, thereby contributing to poverty reduction.

Israel Sekirasa
OSBP Manager- Tanzania





Supporting the private sector in EAC integration

In Tanzania, private sector organisations (PSOs) do not engage effectively in the integration process and have limited formal institutional contact with public sector agencies. In addition, Tanzanians have an inadequate understanding of the integration process and associated benefits. To influence the government it is essential to have comprehensive evidence and well-argued policy position papers. Thus, PSOs have expressed a strong need for research and capacity development on trade related issues.

This project aims to: strengthen the position of the Tanzania Private Sector Foundation (TPSF) to lead private sector engagement in the EAC integration process; enhance TPSF's research and advocacy capabilities; and roll out a communications strategy to raise awareness of the benefits and opportunities for the private sector. It has already addressed trade barriers between Tanzania and the EAC, strengthened advocacy plans and produced evidence based research.

RESULTS

- TPSF web portal developed with information on regional integration. It has 12,000 visitors per quarter.
- A 5 year strategy to increase the interest, awareness and participation of the Tanzanian private sector in the EAC integration has been developed and rolled out.
- A forum made up of the EAC Secretary General and 50 private sector CEOs was conducted.
- Two workshops, to develop the 5 year strategy and a rice value chain study, were conducted under the guidance of two consultants.
- A policy scoping study on improving rice exports to the EAC by the Tanzanian private sector has been developed.
- A high-level policy dialogue for Tanzanian rice value chain stakeholders in the EAC common market was conducted.



“The potential is huge but Tanzania needs to go to the market as one team of public and private sector partners. For this purpose, and with the support of TMEA, TPSF commissioned Dr. Noor to do the study on the current status of the rice value chain. We need to bear in mind that any successes that are achieved in the rice sector can be rolled out and replicated in other crops or even sub-sectors.

Dr. Reginald Mengi

Board Chair, Tanzania Private Sector Foundation (TPSF)





Supporting the MEAC in the integration process

OUR PROJECTS ■

TMEA support to the Ministry of the EAC aims to assist the implementation of a comprehensive framework for regional integration in Tanzania, by improving the Ministry's strategic leadership and management of EAC integration. It also targets better completion of EAC commitments by other Ministries, Departments and Agencies (MDAs) and aims to enhance the awareness and knowledge of stakeholders who will benefit from EAC integration.



With TMEA Tanzania's support, the Ministry has managed to achieve a number of very key results in its key roles. As a result, the Ministry is able to provide the needed leadership and coordination of EAC integration at a national level

Joyce Mapunjo

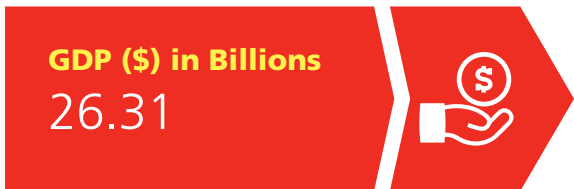
Permanent Secretary, Ministry of East Africa Cooperation, United Republic of Tanzania.



RESULTS

- An Electronic Monitoring System for EAC Integration was developed.
- A Common Market Implementation Strategy has been drafted for adoption.
- A National Integration Strategy was drafted.
- A training needs assessment for Ministry staff was carried out, followed by training on capacity development programmes (including economic diplomacy and intelligence) for 67 operational employees.
- MEAC developed 3 billboards at Mutukula, Namanga and Horohoro borders designed to inform people about the benefits of East African integration.
- 13 television and radio programmes on EAC integration were aired through local TV and radio stations.
- Modern conferencing facilities with improved network communications capacity were installed in the Ministry.
- A resource centre on EAC integration issues was automated to enhance communication on the process.





UGANDA





The road to opportunity

OUR PROJECTS ■

The construction of the Mirama Hills road was launched by H.E. the President of Uganda in October 2014. The project aims to upgrade 37 km of the gravel road between Ntungamo and Mirama to bitumen standard. The road is a crucial link along the Northern Corridor between Uganda and Rwanda and connects Ntungamo to the Mirama Hills/Kagitumba border where a one stop border post (OSBP) has been installed. The road will improve access for both goods and passenger transport services as well as reduce transport time and costs and is expected to lead to increased traffic at the OSBP. The road will also boost the social and economic development opportunities for communities living along the route, and, crucially, no roadside communities will be worse off as a result of the road upgrading works.

TMEA and the Government of Uganda are each contributing 50% of the budget, with TMEA's contribution being US\$22 million. The implementing partner is the Uganda National Roads Authority.

RESULTS

- By October 2015, 27% of the civil works construction had been completed.
- A time and traffic survey has been undertaken.
- All relevant landowners were compensated by the Government of Uganda by June 2015.



I did not believe that TMEA would get money to fund the road...now that I am certain, we shall do everything possible to ensure that the Government of Uganda puts aside money for the road. Apart from the road improving peoples' incomes in Ruhama, the road is very important for Uganda and Rwanda for trade between the two countries and the region.

Mrs Janet Museveni

First Lady and Ntungamo Member of Parliament, (at the launch of the road construction works in October, 2014).





Standards - the benchmark of success

TMEA, together with the Embassy of Sweden, is supporting the Uganda National Bureau of Standards (UNBS) to ensure that consumer products meet modern, international standards. In 2010 the UNBS, in cooperation with the Ministry of Trade, Industry and Cooperatives, began a five year Quality Infrastructure and Standards Programme (QUISP) to establish and strengthen the development and implementation of the country's standards. The programme is designed to assist not just Ugandan producers, but also importers who suffer delays due to product testing. Once certified, manufacturers are allowed to put the coveted UNBS standard on the product label at the production process.

QUISP includes development of standards legislation, harmonisation of standards, communication on standards, and provision of equipment to institutions that set standards and to private sector stakeholders. TMEA's contribution is US\$1.6 million, funding key equipment at the UNBS to support the testing of key products, such as the moisture content in grain, cement, steel and other frequently imported products. The first phase of the project was completed in June 2015.

RESULTS

- Equipment was procured and installed at the UNBS to support the testing of key products.
- The time taken to conduct tests on selected import samples and release goods to the market has dropped from 19 days in 2013 to 8 days in 2015.
- The number of new products certified with a standards mark of quality has increased from 505 in 2013 to 585 in 2015.

TMEA support to UNBS to improve testing capacity has saved the country millions of shillings in costs related to delayed testing. UNBS had very old equipment donated by UNIDO many years ago. It would take UNBS more than 15 days to just test one sample. With new equipment procured with support from TMEA, UNBS is now able to release test results in less than three days for simple tests. Actually, other countries in the region are beginning to benchmark on our success.

Ambassador Onen

Permanent Secretary of the Ministry of Trade Industry and Cooperatives.





Raising quality to increase exports

OUR PROJECTS ■

At both regional and global levels there is an increasing demand for oil seeds such as sesame, yet higher exports are hampered by a lack of regional standards. Similarly there is a high demand for maize in the East Africa region, with Kenya under supplied and Uganda having the potential to make up the shortfall. Yet Uganda was having trouble meeting its export potential, again due to the failure to meet market requirements, especially quality standards.

Recognising these challenges, SEATINI (Southern and Eastern African Trade Information and Negotiations Institute), supported by TMEA, began a US\$300,000 project to upgrade quality standards in agriculture for Ugandan maize and sesame. The 18 month project is focused on raising awareness around EAC harmonised maize standards, initiating policy and practice changes and enhancing enforcement to standards.

RESULTS

- District by-laws have been developed and implemented.
- There is an increased awareness of standards: 18,333 farmers sensitised and 1,667 farmers trained, including 400 women.
- A draft 'sesame standard' has been developed.



I have organised fellow women in my area to buy tarpaulins for drying maize instead of on bare ground. You people have really helped us to learn how to improve quality; now we can negotiate better prices because our maize is cleaner.

Nabiranda Harriet
Councillor in Ssemuto subcounty, Nakaseke district.







PROJECTS
60



BUDGET (\$)
17,314,547



GDP (\$) in Billions
160.4



REGIONAL





Enhancing business sustainability

OUR PROJECTS ■

Under the TMEA objective to create an enhanced trade environment, TMEA is working with government institutions and the private sector to automate business processes in the region. The result is the development of trade portals, allowing traders to access, apply for and submit regulatory documents from remote locations; and the development of management information systems to manage the issuance of permits and certificates. One of the beneficiaries is the Uganda National Bureau of Standards (UNBS), an agency mandated to ensure that goods traded in and out of Uganda meet the required quality standards.

TMEA support to UNBS has been channeled towards digitising the import inspection process, mainly focusing on applications and issuing import clearance certificates. This has led to the development and deployment of an ePortal, launched in May 2015 by the Minister for Trade, Industry and Cooperatives in Uganda, Ms. Amelia Kyambade. The ePortal allows traders to apply for and acquire an import clearance certificate from the comfort of their offices. In addition, it has streamlined import clearance procedures and enhanced system controls, while limiting the need for human interaction during the process.

Mr. Andrew Othieno, Imports Inspection Manager at UNBS, noted that during the piloting phase of the portal, significant time reductions were realised. For instance, the time for both sampling and inspection operations, he noted, was reduced from one hour to ten minutes, while the appeals process was reduced from one hour to five minutes. Furthermore, additional cost savings will be made by eliminating the need for manual certificate booklets, and for photocopying, printing and related services. Ordinarily, UNBS would spend the approximate equivalent of UD\$16,700 per annum for the purchase of certificate booklets; therefore, the shift has brought enormous gains for the agency.

RESULTS

- During the piloting phase of the portal, which involved 75 companies, significant time reductions were realised, so that the time taken to clear consignments has reduced from 8 hours to 1 hour.
- A saving in time means that more clearance applications can be dealt with per day.
- There are cost savings for both clearing agencies and traders due to quicker processes and less bureaucracy.
- More than 100 users, comprising agency staff, traders and clearing and forwarding agents were trained in 7 different regions.

The process of goods clearance has been simplified and there is timely release of my goods by UNBS in that I can apply for clearance on-line, receive notifications on the status of my goods and receive a UNBS Clearance Certificate within 20 minutes, without waiting for a clearing agent to clear my goods as it had earlier been.

Daniel Oloi

Small scale business owner based in Kampala.





Video conferencing at the EAC

The organs and institutions of the East African Community play a central role in coordinating the conceptualisation and implementation of the strategic objectives of the East African Partner States. The process of coordination is carried out through meetings and other mechanisms. EAC organs and institutions currently hold about 800 meetings annually, at an estimated cost of US\$20 million. This is likely to grow as the scope of the strategic objectives of member states expands.

To address cost control and to enhance efficiency and speed of communication, both formal and informal, the Council has adopted the use of technology. TMEA has supported the EAC through the procurement, installation and functioning of video conferencing (VC) equipment at the Secretariat in Arusha and in all five Partner States' Ministry of EAC offices. The EAC Heads of State launched the system, which is now fully operational in the five Partner States, in February 2015. Manuals have been prepared and adopted by the EAC organs and users and super users have been trained on the use of the equipment. The VC system has now been integrated into the EAC annual operational plan and is used to conduct a wide range of meetings, such as specific EAC organ meetings, recruitment meetings, project meetings and various consultations among Partner States. This state of art equipment can hold 90 meetings simultaneously.

The Secretariat estimates that 105 VC meetings will be held in the first half of the next financial year 2015/16 with an estimated saving of US\$2.43 million.

RESULTS

- The VC system has been integrated into the EAC annual operational plan.
- In 2014/15, 22 meetings were held using VC technology with estimated cost savings of US\$230,000 (9.2% of the investment).

Implementation of the Video Conference system is more than an agenda to introduce communication technologies to support EAC operations; it heralds a period of change of organisational culture and attitude on how EAC works and delivers services to stakeholders.

Ambassador Dr Richard Sezibera
Secretary General EAC





Towards a Single Customs Union

OUR PROJECTS ■

A key priority of the EAC development strategy 2012/2016 is the consolidation of the Customs Union through a Single Customs Territory (SCT). This is the foundation for the implementation of the Common Market and the Monetary Union. The establishment of the Customs Union, which commenced in 2005, was to progress over a five year period, with a fully-fledged Customs Union in place in 2010. While this goal has not been achieved, significant progress has been made, especially since April 2012, when the EAC Heads of State approved the development of a framework to operationalise the 'destination model' of clearance of goods. This model is where assessment and collection of revenue is at first point of entry, following which the revenue is remitted to the country of destination. The operation of the destination model of the SCT has accelerated significantly since June 2013 when the Presidents of Kenya, Rwanda and Uganda decided to fast-track implementation on the Northern Corridor.

Full attainment of the EAC Customs Union will be characterised by the removal of duties and other restrictive regulations and minimal internal border customs controls on goods moving between Partner States. The ultimate goal is free circulation of goods under a common external trade policy.

The single customs territory is one of the initiatives that has brought about tremendous changes. When it became operational there were tremendous changes on the northern corridor in terms of the number of days taken to move goods from the port of Mombasa to Kigali where we moved from 21 days to 5 days. Businesses are now able to make more money without necessarily investing more.

Amb. Valentine Rugwabiza
Minister for East African Community Affairs, Rwanda.

RESULTS

- Documentation to release goods has reduced by 80% and simplified the administrative burden.
- Less internal border controls and 24 hour port opening has reduced the turnaround time of trucks from Mombasa to Kampala from 18 days to 4 days, from Mombasa to Kigali from 21 days to 6 days and from Dar es Salaam to Kigali from 25 days to 5 days. This in turn has reduced the cost of doing business.
- Cargo clearance time has been reduced from 2 days to 8 hours for fuel, and for other products from 3 days to 12 hours.
- A reduction in human intervention has led to efficiencies and reduced delays and malpractices in clearances of cargo.
- The COMESA Regional Transit Customs Guarantee Bond is being piloted as a single regional bond for movement of goods under customs from the first point of entry to destination. This is aimed at reducing multiple security/bonds.





Harmonising standards - a win-win

Facilitating trade within the EAC will have profound effects on economic growth, employment and food security, as well as presenting a more compelling case for international investors, who could view the region as one contiguous market, rather than five fragmented ones. Harmonising product standards for products and services across the region is a major step towards bringing down non-tariff barriers, reducing the costs of intra-EAC trade, enhancing competition and improving consumer welfare in the region.

Through the East African Standards Platform, TMEA has supported the engagement of the private sector in harmonising standards of the region's most commonly traded products. The inclusion of the EAC Standards Platform in the process of developing standards has contributed to fast tracking the process and better adoption by the business community. The Principal Standards Officer at the Kenya Bureau of Standards (KEBS) who is also Secretary to the EAC Edible Fats and Oils Technical Committee says harmonisation of these standards will help address regional non-tariff barriers that impede the sector's growth.

RESULTS

- 26 standards on cement were harmonised.
- 16 standards for paper and paper products were developed.
- 18 draft East African Standards were declared as East African Standards by the Council of Ministers.
- 204 representatives from business in the 5 partner states underwent standards training on alcohol, surface-active agents and steel products.
- 113 representatives from business underwent training on interplay between standards and technical regulations.



Standards harmonisation is a win-win situation for EAC consumers as they will also benefit from imports from other countries and regions whose product specifications are based on the same standards.

The Principal Standards Officer at the Kenya Bureau of Standards (KEBS) and Secretary to the EAC Edible Fats and Oils Technical Committee.



INTEGRATING GENDER, POVERTY, CLIMATE CHANGE AND EXTRACTIVES



A doing and learning culture

TMEA's 'Research and Learning' portfolio sought to move the organisation from a 'doing' culture to a 'doing and learning' culture, by developing relevant internal and external research programmes, encouraging knowledge exchange and learning and providing strategy support to the senior TMEA governance organs when required.

1) Knowledge management strategy (KMS):

This seeks to transform TMEA into a knowledge-oriented and learning organisation by:

- a) Establishing and entrenching a knowledge culture within TMEA. TMEA will transform into an institution where knowledge is effectively produced and used to improve the quality of programmes.
- b) Enhancing TMEA's operational effectiveness. TMEA operations will be strengthened by improved knowledge-sharing and the translation of knowledge into policy and action.

The strategy lays out key objectives and an implementation plan. Elements have already been rolled out, including pro-active data collection, the creation of a data tool, an online library and integration of the KMS into programme management.

2) Analysis of trade and poverty impact

TMEA recognises that while there are clear lines of sight from the outcomes of TMEA's programmes, to trade facilitation, it is becoming increasingly urgent to establish direct or indirect causal links from the impacts of the TMEA-supported programmes to the general improvement of citizen welfare in East Africa, particularly the poor. In this regard, a symposium was convened seeking to learn from international experts and best practices about trade, growth and poverty in the context of regional integration.

The symposium, which brought together development partners and practitioners, researchers and opinion leaders, concluded that while trade and poverty has been researched, the pathways need to be mapped out more clearly. It was also established that impact varies across trading sectors. For example, informal cross border traders and women need to be considered during programme development. Based on these discussions, TMEA has launched a 'Women in Trade' programme and is considering identified informal cross border trade as a thematic issue for further synthesis in Strategy 2.

Related to the above, two studies were concluded to enable TMEA to understand the poverty impact on key areas of the portfolio. These studies are:

- a) How to make one-stop border post (OSBP) and integrated border management (IBM) programmes more pro-poor.

The aim of this study was to identify who the poor are with regards to the TMEA-supported OSBP and IBM projects and to understand how they are affected by the TMEA-supported interventions and other trade facilitation interventions undertaken at specific borders. The study also sought to map out the broader poverty effects of TMEA-supported OSBP and IBM projects in the EAC and to make recommendations on interventions that TMEA and its partners can use to ensure that OSBP and IBM programmes are increasingly pro-poor. Based on the findings of this study, intervention areas have been incorporated into OSBP/IBM strategies to ensure projects are pro-poor.

- b) How to support the development of TMEA-supported programmes on cross-border trade that are more responsive to gender

This study aimed to inform TMEA's efforts towards ensuring that the priorities of women cross-border traders - who are subject to exclusion and discrimination - are effectively incorporated in relevant policies, programmes, budgets, and processes at TMEA. The second objective was to make sure that all TMEA programmes at border posts are increasingly pro-poor for women engaged in informal cross border trade, to the greatest extent possible; and where they are not, to recommend ways in which the programmes can be made pro-poor. Recommendations from the study have already been used by TMEA to define a specific programme for 'women in trade' across the region.



Climate change and sustainability

INTEGRATING GENDER, POVERTY, CLIMATE CHANGE AND EXTRACTIVES ■

TMEA commissioned a Strategic Climate Change Review of its portfolio in 2013, which examined the highest potential interventions for TMEA's work to mitigate the effects of climate change in East Africa, and how TMEA should incorporate greater environmental risk profiling in its work. The Review was undertaken by Climate Care, a global environmental consulting firm with a Nairobi office .

The Climate Change Review found that the changing climate poses a risk to the sustainability of some of TMEA's activities. At the same time, TMEA is well placed to ensure that its activities build climate resilience. TMEA can take advantage of its capacity in building infrastructure, and its close working relations with partners, to develop new climate resilient projects. The Review highlighted four focal areas for TMEA to prioritise in reducing overall emission rates in East Africa. The largest by far is to decrease ship idling time at ports by reducing dwell times of ships waiting to be unloaded, followed by replacing the burning of highly polluting bunker fuel with cleaner on-shore energy sources. The next largest impact could be made by increasing rail traffic, which has a lower emission profile.

Clearly within TMEA's climate change strategy, ports potentially occupy a central role in reducing emissions. Since the Climate Change Review the Kenya Ports Authority (KPA) has been keen to move forward with a 'Mombasa Green Ports Policy', the purpose of which is to help make the port more resilient to future climate change and reduce the effects of ship idling. In response, TMEA commissioned an international consultancy assignment for KPA in 2014, with US consulting firm, Cornell. The consultant's report audited the port on climate change readiness, and recommended a broad range of interventions. Some of these are potentially suitable for TMEA support,

others for KPA funding from its own resources or for other funding partners. These have since been developed into the 'Mombasa Port Resilience' project funded by DFID.

The 'Green Port' interventions that lead to greater efficiency and productivity in the port align well with TMEA's new Theory of Change. They include staff training to improve the health and safety of workers and various upgrades to port infrastructure or facilities. These might potentially attract funding from the International Climate Fund (ICF) in 2015, brokered on behalf of agencies such as TMEA, by DFID Kenya. TMEA is also exploring similar ICF-funded opportunities through DFID Tanzania for the Dar es Salaam port. As a way forward, TMEA is developing plans for proposed interventions to be submitted to the board. Climate Care has been retained by TMEA to provide advisory and technical support.

Priorities for enhanced climate risk screening

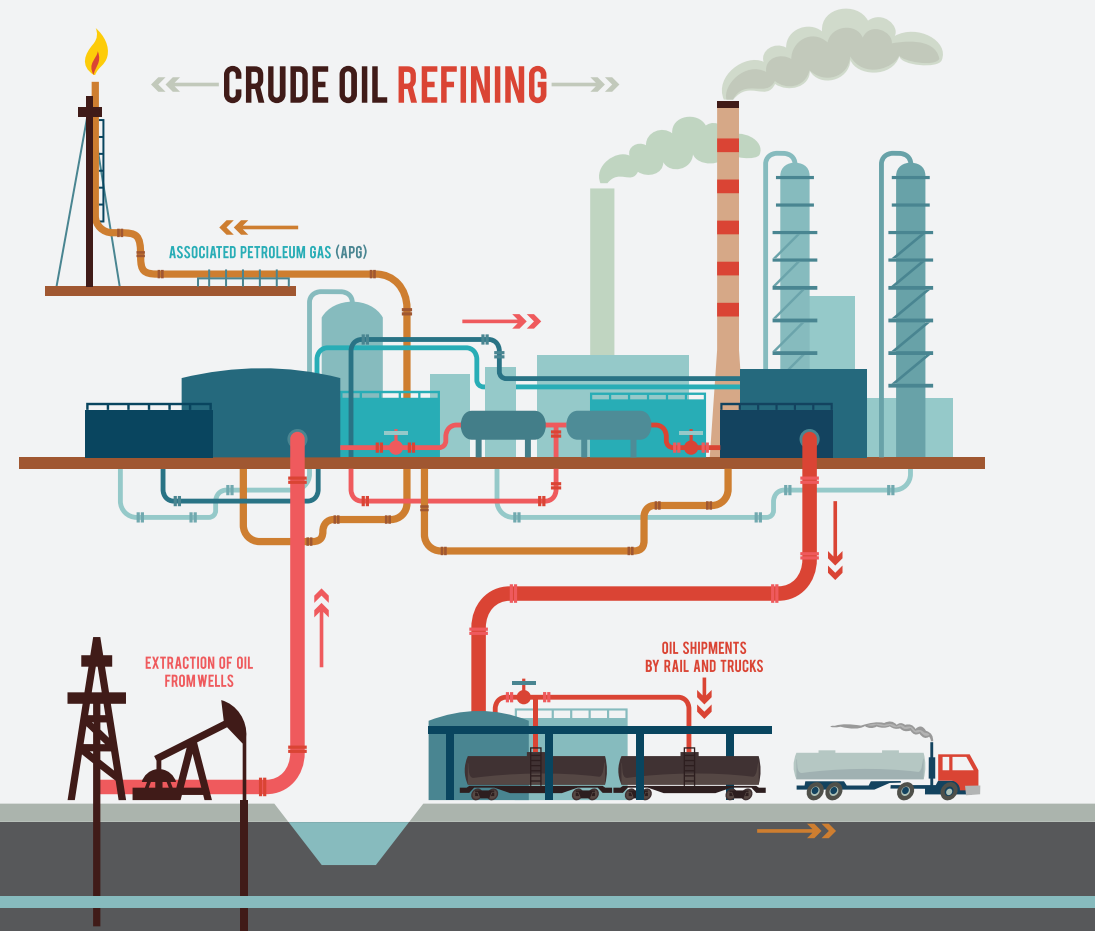
TMEA recognises that more needs to be done to assess climate risk. A simple screening tool was developed that identifies the projects most susceptible to climate change. Forty two projects have been singled out as high priority for action. For each of these projects, existing risk registers will be updated to include the most relevant climate risks and mitigating activities. To simplify risk assessment, Climate Care generated a list of risks with fixed probabilities. As a way forward and with support from Climate Care, TMEA will mainstream increased risk screening of projects and develop an Environmental/Climate Change Strategy for submission to the board.



Analysing the implications of the extractive industry

The extractives industry across the EAC is at various stages of development. Tanzania is the most advanced jurisdiction, represented by internationally recognised mining operations, potential discoveries and recently discovered offshore natural gas fields. At the other end of the scale, much of Burundi's mineral output is in the hands of artisanal and small scale miners. The common factor across the region is the huge potential of the extractive industry, ranging from Kenyan and Ugandan oil funds to Rwanda's recent strong metal export growth.

The economic and socio-political implications of the extractive industry as a source of good, as well as bad outcomes, are often classified under the terms 'Resource Curse' or 'Dutch Disease'. The region has developed various policy statements seeking to mainstream the extractive industry in national development plans, such as Kenya's Vision 2030. There are opportunities for close links between EAC partners, particularly between the three land-locked EAC countries (and South Sudan) given the export oriented nature of the extractive industry. Against this backdrop, TMEA considers extractives a key cross cutting issue that must be analysed in perspective, to ensure that emerging issues are mainstreamed into programming. An extractives adviser has been contracted to support TMEA in this endeavour.



Boosting the role of women in trade

INTEGRATING GENDER, POVERTY, CLIMATE CHANGE AND EXTRACTIVES ■

In recognition of the fact that women's rights are human rights, and purely because it makes economic sense to include every citizen in regional integration, TMEA is taking a fresh look at gender mainstreaming. The past year has been an exciting and interesting time for the gender programme as we continue to develop the institutional framework required for mainstreaming gender across TMEA.

Supporting TMEA's gender framework

In March 2015 TMEA completed a gender audit, with a view to updating and relaunching our gender mainstreaming strategy. The audit employed both quantitative and qualitative research methods and was conducted at institutional and programme levels. The audit has guided the development of the TMEA Gender Strategy (2015), which interlinks gender-mainstreaming efforts to be implemented at institutional, programme and staff levels.

The gender mainstreaming strategy is further justified because it will create an enabling environment to mainstream gender within TMEA. By committing to this strategy, TMEA commits itself to developing the necessary in-house technical skills and knowledge for project design, ensuring implementation and accountability and demonstrating the necessary political will to embed gender mainstreaming in the TMEA culture.

TMEA recognises that for its activities and operations to have maximum impact on regional trade and integration, gender must be a primary concern in all its strategies.

TMEA believes that gender mainstreaming is not only about social justice. It is also a practical tool to ensure

that all activities and programmes are researched, designed and implemented in the most effective fashion. Our gender mainstreaming approach does not look at women in isolation, but looks at women and men, both as actors in the development process and as its beneficiaries. There is equal participation and input by women and men into projects and programmes and an equitable flow of benefits to each sex.

Results

Supporting TMEA's gender framework

- **Gender policy and strategy** - These were revised and updated in line with TMEA's strategic objectives.
- **Gender action plans (GAPs)** – Tailored gender action plans have been developed for all regional and country programmes that measure and report gender mainstreaming progress at both country and programme level.
- **Gender indicators** – These are now developed for each strategic objective as part of a wider results framework. Gender-sensitive monitoring ensures that the impacts of a project are assessed for both men and women.
- **Gender audit tool** – This was developed to measure gender mainstreaming progress for TMEA at institutional and programme level. It will be administered on an annual basis.





TMEA gender programme

The overall objective of the TMEA gender programme is to ensure that men, women, boys and girls equally benefit from the TMEA initiatives designed to promote regional trade and regional integration in East Africa.

Our focus is on three priority areas:

- 1) to commit TMEA to gender mainstreaming;
- 2) to work with partners to mainstream gender and to learn from their experiences; and
- 3) to work on the change agenda for gender.

The successful accomplishment of each priority will result in an ever widening sphere of internal and external influence for TMEA in the field of gender in regional trade and regional integration.



Boosting the visibility of TMEA's work on gender

a) Gender and trade Faces of Women in Trade - the inaugural publication reaffirms TMEA's commitment to gender in regional trade and showcases the different faces of women in trade.

b) Gender and trade microsite The new microsite, <http://gender.trademarka.com/> will create awareness and visibility for our gender work by sharing information on gender and trade.

c) TMEA International Women's Day Event TMEA celebrated international women's day last year by inviting Joanne Mwangi – CEO, Federation of Women Entrepreneur Associations, to share her experiences on women and business. The Alfajiri issue (the TMEA internal magazine) of the same month, highlighted women's issues.

d) TMEA CEO Gender Award The new award will recognise, create and build internal awareness within TMEA on gender mainstreaming by acknowledging teams and partners that have successfully mainstreamed gender in their programmes.

Building internal capacity to mainstream gender across TMEA

a) TMEA gender network A network of nine TMEA staff, known as gender focal points, are the main contact points for the various country and regional programmes. The gender focal points are responsible for updating the gender action plans.

b) Mainstreaming gender at TMEA A Toolkit - This is a useful handbook to help staff and other relevant audiences understand gender issues and the steps that can be taken to mainstream gender at corporate and programme levels.

c) Gender mainstreaming training Over 100 staff members, including senior management have attended and completed the gender mainstreaming training. The training aims to equip staff and provide the required resources to conduct gender analytics, incorporate a gender perspective and introduce gender indicators in project design, implementation, monitoring and evaluation.

Through our growing portfolio spanning increasing physical access to markets, enhancing the trade environment and improving business competitiveness, TMEA is committed to gender equality and equitable human development. Closing gender gaps does not mean that one person's gain is another person's loss; it is a road towards a future where everyone gains. Ultimately the lifting, limiting or eliminating of gender based constraints will simply become the way TMEA operates.





OUR PEOPLE



“ My job is to manage programmes that support the regional logistics industry to upgrade skills, utilise appropriate infrastructure, access reliable information and become more inclusive, in order to overcome existing constraints, eventually leading to greater wealth for all.

Abhishek Sharma
Director, Trade Logistics



“ TMEA helps East Africans to be more competitive in a dynamic world and improves consumer welfare and living standards through increased competition. We cannot overstate the economic impact of our work.

Elizabeth Nderitu
Senior Programme Manager for Regional NTBs and Standards



“ I am an East African by birth and proud to be part of the fastest growing region in the world. My work improves business competitiveness in Kenya, growing prosperity and reducing poverty. TMEA's work continues to contribute greatly to making this region prosperous and competitive with the rest of the world.

Simon Konzolo
Programme Manager, Business Competitiveness Kenya



“ TMEA's role is critical in addressing the key barriers to trade and providing a platform for private sector and civil society to influence the policy environment and take up the opportunities for trade. TMEA's integrated approach ensures that the gains from trade and development are sustainable.

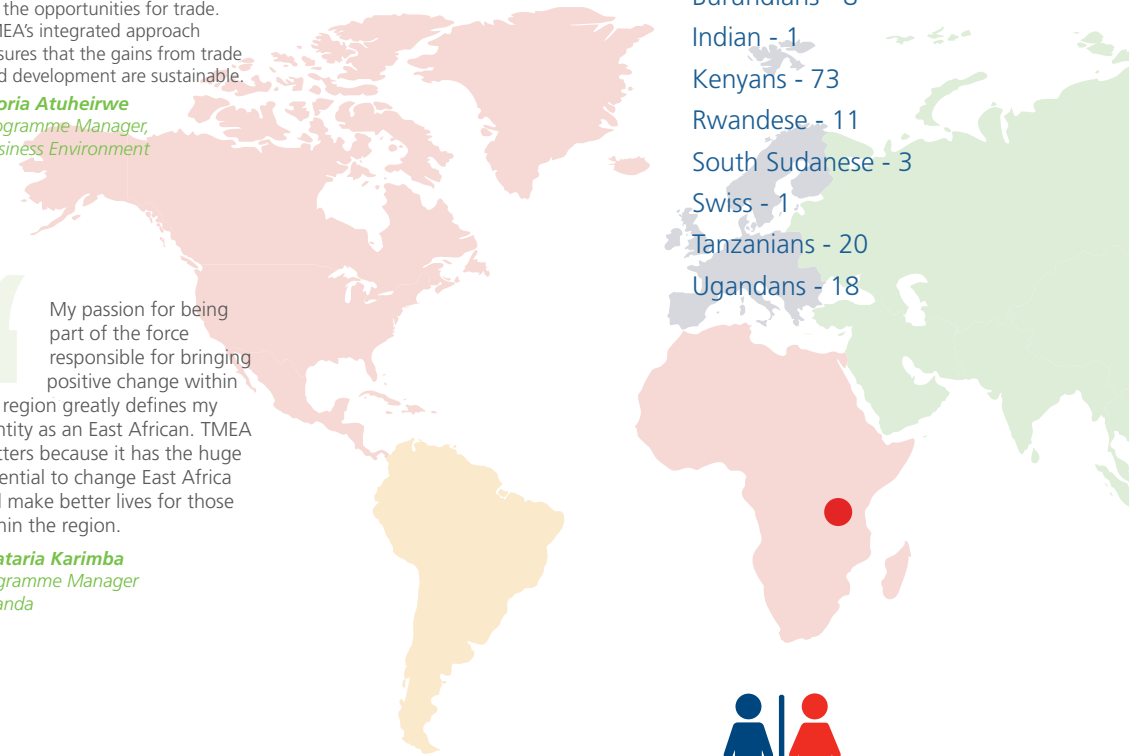
Gloria Atuheirwe
Programme Manager, Business Environment

“ My passion for being part of the force responsible for bringing positive change within the region greatly defines my identity as an East African. TMEA matters because it has the huge potential to change East Africa and make better lives for those within the region.

Anataria Karimba
Programme Manager Rwanda

Staff split by country and gender

- American - 1
- Belgian - 1
- Brazilian - 1
- British - 4
- Burundians - 8
- Indian - 1
- Kenyans - 73
- Rwandese - 11
- South Sudanese - 3
- Swiss - 1
- Tanzanians - 20
- Ugandans - 18



Male 79 Female 63



CORPORATE SOCIAL RESPONSIBILITY



Supporting the Autism Unit of Kassarani Primary School

In mid-2014, TMEA embarked on an ambitious corporate social responsibility (CSR) initiative to turn the Autism Unit of Kassarani Primary School into a Centre of Excellence. Through the generosity of TMEA staff and other partners, we have transformed teaching and learning at the Unit and realised significant progress towards our objective.

So far we have achieved the following

The students' parents expressed satisfaction with the range of teaching and learning materials we provided and the impact of our support, which they say is very noticeable – kids are less hyperactive and becoming more confident in social settings; for example one child now plays the piano at church. The students are increasingly attentive to the computer learning programmes and now know which keys to press for desired actions. They are also getting better at understanding that educational materials equals educational benefit. They are more organised and focused on what they are doing, such as beading, which requires patience, perseverance, and hand/eye coordination. The parents are extremely positive about the changes they are seeing and were very complimentary about TMEA. A key challenge is ensuring that parents' efforts out of school fully complement learning in school (which is being dealt with through the capacity building described below).

Meetings between the school administration and parents have continued and have helped the parents gain confidence in playing their role as partners with stronger voices.

The joint arrangement with the International School of Kenya (ISK), set up by James Karanja, is perhaps the most successful component in terms of exposure for both the students and their parents. ISK has graciously extended the arrangement for another term.

Institutional and capacity building had initially been planned for both teachers and parents. It turns out that the parents have been the biggest beneficiaries because

they now understand more about autism and how to better manage the situation. This is one of the best outcomes we could have imagined and we will continue to support and encourage the parents, who are keen to do the right thing for their children.

Achieving our objective of turning the school into a Centre of Excellence is continuing, as is the integration of the students into the main school. A recent Ministry of Education group visiting all public schools said this was the best-run school Special Needs Unit they had come across.

Upcoming activities

We have had another round of generous donations from TMEA staff, as well as support from other partners. With this, we plan to carry out further activities:

A Ksh 100,000 donation will be used to refurbish the toilets for over 700 girls of the main school, who currently use pit-latrines. The District Education Officer has approved this work but although the work was planned for the August 2015 school holidays, it has been delayed as we are still waiting for City County Engineer approval.

Much thought has gone into the next stages of the students' development, taking into account their varying levels of autism and what they will do when they leave the Unit. Vocational training seems to hold the greatest key to success and is something we will focus on.

We plan to repaint the Unit and lay a gravel path connecting it to the main school. In wet weather the path is practically impassable, which makes this a fairly difficult undertaking. We also plan to focus on income generation, such as the vegetable garden, to assist parents to pay for their children's lunches.

We, the TMEA CSR volunteers, look forward to continuing our interaction with the Autism Unit of Kassarani Primary School and we thank everyone for their support.





Mr Ali Mufuruki is Chair and CEO of Infotech Investment Group LTD of Dar es Salaam, founding partner of East Africa Capital Partners (EACP) and the Chair of Wananchi Group Holdings LTD based in Nairobi Kenya. He is also the founding Chair of the CEOs' Roundtable of Tanzania, the Chair of the Africa Leadership Initiative (ALI) East Africa Foundation, member of the Board of Trustees of ATMS Foundation in the Netherlands and co-founder and senior partner of Gro-Energy, an advisory firm focusing on the African oil and gas energy sub-sector. He has previously served as the Chair of Air Tanzania Company Ltd and as the Chair of the Audit Committee of the Board of Directors of the Tanzania Central Bank. He is a Henry Crown Fellow of The Aspen Institute Class of 2001.

Ali Mufuruki - Board Chairman



Mr Tim Lamont is currently serving as Senior Growth, Trade and Investment Adviser, DFID Africa Region. In this capacity, he supports regional economic integration in East Africa and has been a lead adviser on TMEA and regional market systems development. Mr Lamont is an economic private sector development expert specialising in trade, the financial sector, business advocacy and investment climate and value chain issues. He has 19 years of experience of working on East Africa issues, 12 of which have been at DFID. Mr Lamont has worked within the government ministries of Uganda and Rwanda in addition to managing DFID funded programmes in Kenya and Tanzania.

Tim Lamont - Board Vice-Chair and donor representative on development/ evaluation



Ms Patricia Ithau is the Managing Director of Patricia Ithau Ltd. She previously served as Managing Director at L'Oreal East Africa, EABL International and Uganda Breweries Ltd. She currently serves on the boards of KEPISA, The Foschini Group Kenya, Strathmore University and the Marketing Society of Kenya. Ms Ithau has a "deep desire to build women role models for the corporate world, making an impact through activities that empower women and encourage children to overcome adversity and achieve their full potential". She is a Fellow of the Marketing Society of Kenya, Member of the African Leadership Network and a Member of Institute of Directors, Kenya.

Patricia Ithau - Board Member



Ms Rosette Rugamba is an Aspen Global Leadership Network Fellow and Special Adviser to the Secretary General United Nations World Tourism Organisation (UNWTO) on sustainable tourism in Africa – now managing Songa Africa Ltd. She previously served as Deputy CEO Rwanda and Director General of the Rwandan Office for Tourism and National Parks. She currently serves as the board chair of the Women Chamber - Private Sector Federation, and as a board member of Equity Bank Rwanda, Sonarwa Insurance Company, African Parks Network - South Africa, the Diane Fossey Gorilla Fund International, Population Services International Rwanda (PSI) SFH and LEO.

Rosette Chantal Rugamba - Board Member



Mr Matthew D. Rees is the Director of Regional Integration at the United States Agency for International Development (USAID) and Deputy Coordinator for Trade Africa. An expert in economic development and policy, private sector development, agribusiness and financial sector reform, Mr Rees also has academic expertise in trade policy and development economics. Mr Rees has over 12 years experience working with governments and private sector experts in countries including Iraq, Afghanistan, Colombia and most recently Kenya. Most notably, he represented USAID at the Africa Regional Economic Communities and East Africa Trade Associations.

Matthew D. Rees - Board Member



Mr Patrick Obath is the Managing Consultant of Eduardo and Associates. He previously served as Managing Director and Country Chairman for Kenya Shell and Shell Tanzania. He also serves as the board chair for PZ Cussons East Africa Limited, KCA University Board of Trustees, Kenya Cultural Centre, Starehe Boys Centre and Board of Trustees and LVCT Health. In addition he is a board member of Kenya Private Sector Alliance (KEPSA), Afren Plc, Standard Chartered Bank – Kenya Ltd, Wananchi Group Holdings Ltd, New Forests Company Holdings Limited and Unga Group Holdings Limited.

Patrick Obath - Board Member



BOARD MEMBERS

Mr Duncan Onyango is currently Regional Director/CEO of Acumen Fund, a social venture fund. He has served on the boards of eight major organisations in East Africa and the UK, including Rift Valley Railways Ltd, Scion Real, Philafe Engineering Ltd, Acacia Medical Centre Ltd, Botanical Extracts EPZ Ltd, Western Seed and Provident Capital Transfers Ltd (UK). He has expertise in strategic and business planning, organisational alignment and business transformation and holds an honours degree in Computing and Retail Management from Oxford University.

Duncan Onyango - Board Member



Mr Anthony Masozera is currently the CEO of Econet Wireless, Burundi. He has previously served as CEO of MTN Guinea. He currently serves as a board member of Econet Wireless Burundi, Higher Life Foundation and Burundi Backbone System. He obtained his Bachelors and Master of Business of Administration degrees in the USA and is a founding member of the Institute of Certified Public Accountants of Rwanda. He is a Fellow of the fourth class of the Africa Leadership Initiative-East Africa and a member of the Aspen Global Leadership Network.

Anthony Masozera - Board Member



Ms Jacqueline Busingye Lutaya is the Managing Director of Kampala Accountancy Bureau (KAB) Ltd and College for Professional Development. She is currently serving as the President of ACCA Uganda, is a Fellow of the Association of Chartered Certified Accountants (FCCA), a member of the Institute of Certified Public Accountants of Uganda (CPAU) and a member of the Institute of Internal Auditors (MIIA). She is currently a board member and the Chairperson of the Audit Committee, at Hashi Energy (Uganda) Ltd.

Jacqueline Busingye Lutaya - Board Member



Mr Earl Gast is a senior U.S. government executive with 24 years of experience in international development and foreign policy, and has deep expertise in creating and implementing high impact programming around the world. He has held various positions at USAID, including Assistant Administrator, Bureau for Africa, Mission Director, Afghanistan, Acting Assistant Administrator/Senior Deputy Assistant Administrator and Africa Bureau and Mission Director, Ukraine.

Earl Gast - Board Member



Nationalities



Kenya 3



Rwanda 2



Tanzania 1



Uganda 1



United Kingdom 1



United States 2



TMEA Council

Karin Andersson

Counsellor,
Embassy of Sweden,
Nairobi.

Hellen Oriaro

Foreign Affairs,
Trade and Development,
Canada.

Henny Vries

Ministry of Foreign Affairs,
Sustainable Economic
Development Department,
Dutch Government.

Matt Rees

Trade & Integration Lead,
USAID,
East Africa.

Oskar Kass

Embassy of Finland,
Dar es Salaam.

Tim Lamont

DFID,
East Africa.

Joe Okudo

Royal Danish Embassy,
Kenya.



OUR INVESTORS

With the support of
THE BELGIAN
DEVELOPMENT COOPERATION **.be**

Belgian development cooperation aims to achieve sustainable human development. This aim is to be achieved by fighting poverty and strengthening democracy and the constitutional state.
www.btctb.org/en/belgian-development-cooperation



The basis for Finland's development policy is the set of Millennium Development Goals (MDGs) established by the United Nations, which aim at eliminating extreme poverty. In addition to reducing poverty and inequality, Finland supports the long term goal of freeing developing countries from their dependency on aid, through strengthening their own resources.
www.formin.finland.fi/english



UKaid concentrates on improving health, increasing the quality of education, reducing vulnerability among Kenya's most disadvantaged, and catalysing private sector growth to create more jobs for young people.
www.gov.uk/government/organisations/department-for-international-development



Foreign Affairs, Trade and
Development Canada

The mandate of Foreign Affairs, Trade and Development Canada is to manage Canada's diplomatic and consular relations, to encourage the country's international trade and to lead Canada's international development and humanitarian assistance.
www.international.gc.ca/international/index.aspx?lang=eng



Ministry of Foreign Affairs of the
Netherlands

The Ministry of Foreign Affairs of the Netherlands is the channel through which the Dutch Government communicates with foreign governments and international organisations. It coordinates and carries out Dutch foreign policy. The Ministry has two halves: its headquarters in The Hague and its missions abroad (embassies, consulates, and permanent representations).
www.government.nl/ministries/bz/about-the-ministry



USAID carries out U.S. foreign policy by promoting broad-scale human progress. At the same time it expands stable, free societies, creates markets and trade partners for the United States, and fosters good will abroad.
www.usaid.gov

EMBASSY OF DENMARK
DANIDA | INTERNATIONAL
DEVELOPMENT COOPERATION

Denmark's development cooperation aims to fight poverty with human rights and economic growth.
<http://um.dk/en/>



The overall target of Sweden's development assistance is to ensure that those in poverty have the ability to improve their living conditions. To carry out this assignment effectively and strategically, it encompasses all areas of society and can be described in five areas: democracy, equality and human rights; economic development; knowledge, health and social development; sustainable development; and peace and security.
www.sida.se/english/





FINANCIAL SUMMARY



Report of the independent auditors on the summary financial statements to the members of TradeMark East Africa



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The accompanying summary financial statements, which comprise the summary statement of financial position as at 30 June 2015, the summary statement of comprehensive income, summary statement of fund balance and summary statement of cash flow for the year then ended, and related notes, are derived from the audited financial statements of TradeMark East Africa for the year ended 30 June 2015. We expressed an unmodified audit opinion on those financial statements in our report dated 9 December 2015. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of TradeMark East Africa.


15 December 2015

Directors' Responsibility for the Summary Financial Statements

Directors are responsible for the preparation of a summary of the audited financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of TradeMark East Africa for the year ended 30 June 2015 are consistent, in all material respects, with those financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Churchill Atinda P/No 1425.



Statement of comprehensive income for the year ended 30 June 2015

FINANCIAL SUMMARY ■

	Year ended 30 June 2015 US\$'000	Year ended 30 June 2014 US\$'000
Income		
Grant income	52,800	120,068
Other income		
Interest on bank balances	157	215
Gain on disposal of assets	4	1
	161	216
Total income and other Income	52,961	120,284
Expenditure		
Personnel costs	14,908	14,601
Consultancy costs	25,735	24,827
Professional services	2,156	2,140
Conferences and workshops	3,350	3,334
Grants to partners	7,045	8,124
Office supplies	211	238
Project assets	39,496	25,248
General expenses	2,572	2,322
Travel expenses	4,841	4,809
Depreciation	514	549
Amortisation	11	27
Exchange losses/(gains)	2,145	(2,622)
Total expenditure	102,984	83,597
Total Comprehensive Deficit and Income for the year	(50,023)	36,687



Statement of financial position as at 30 June 2015

	As at 30 June 2015 US\$'000	As at 30 June 2014 US\$'000
Assets		
Non-current assets		
Property and equipment	581	918
Intangible asset	-	11
	581	929
Current assets		
Bank and cash balances	7,507	49,363
Accounts receivable	1,034	1,061
	8,541	50,424
Total assets	9,122	51,353
Fund balances and liabilities		
Fund balances		
Unexpended funds	(8,840)	41,183
Liabilities		
Accounts payable and accruals	17,962	10,170
Total fund balances and liabilities	9,122	51,353



Statement of fund balance for the year ended 30 June 2015

FINANCIAL SUMMARY ■

	US\$'000
Year ended 30 June 2014	
Unexpended funds as at 1 July 2013	4,496
Total comprehensive income for the year ended 30 June 2014	<u>36,687</u>
Unexpended funds as at 30 June 2014	<u>41,183</u>
Year ended 30 June 2015	
Unexpended funds as at 1 July 2014	41,183
Total comprehensive deficit for the year ended 30 June 2015	<u>(50,023)</u>
Unexpended funds as at 30 June 2015	<u>(8,840)</u>



Statement of cash flows for the year ended 30 June 2015

	Year ended 30 June 2015 US\$'000	Year ended 30 June 2014 US\$'000
Cash flows from operating activities:		
Grant receipts from donors	52,800	120,068
Reported total expenditure	102,984	83,597
Adjusted for:		
Exchange (losses)/gains	(2,145)	2,622
Depreciation	(514)	(557)
Amortisation	(11)	(27)
Accounts payable and accruals	(7,792)	(2,063)
Advances made (receivables)	(27)	239
Cash paid to suppliers, employees and partners	92,495	83,811
Proceeds from disposal/Insurance compensation	(8)	(1)
Acquisition of property and equipment	181	419
Acquisition of intangible assets	-	3
	92,668	84,232
Cash (used)/generated in operations	(39,868)	35,836
Cash flows from investing activities:		
Interest received on bank balances	157	215
Net (decrease)/ increase in cash and cash equivalents	(39,711)	36,051
Effect of changes in exchange rates	(2,145)	2,622
(Decrease) /increase in cash and cash equivalents	(41,856)	38,673
Cash and cash equivalents at the beginning of the year	49,363	10,690
Cash and cash equivalents at the end of the year	7,507	49,363



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TRADE
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Growing Prosperity Through Trade

